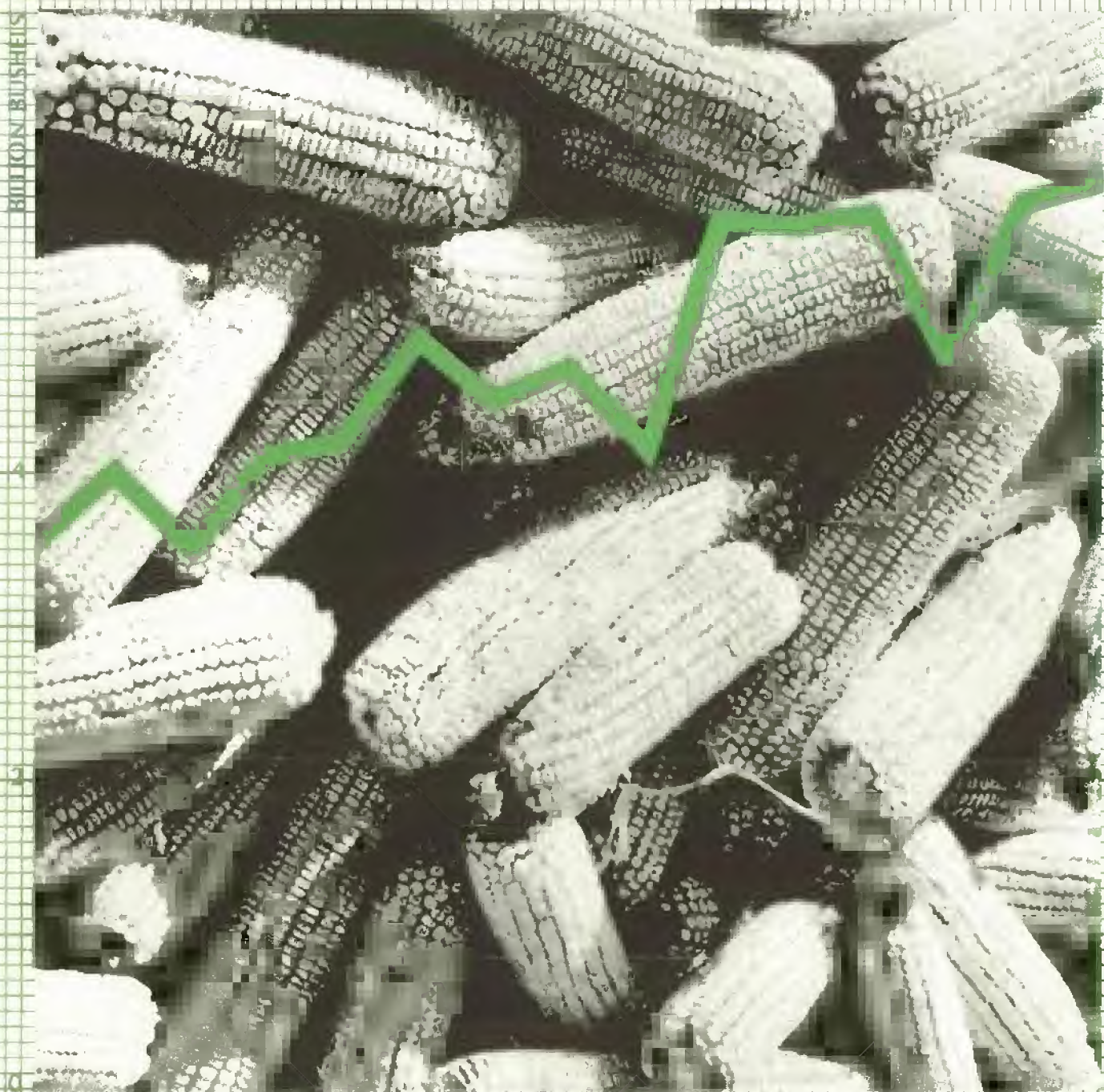


AGRICULTURAL OUTLOOK

UNITED STATES DEPARTMENT OF AGRICULTURE • ECONOMIC RESEARCH SERVICE • AO-16

BILLION BUSHELS



CORN PRODUCTION (1962 TO ESTIMATED 1976)

NOVEMBER 1976

AGRICULTURAL OUTLOOK

AO-16

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CONTENTS

Page

- 1 **The net income position of farmers for 1976** is not expected to vary much from a year ago. Net cash income realized by farmers this year may total a little above 1975. But total net income, which includes an allowance for inventory change, will depend on whether farmers decide to carry over a larger share of their grains, soybeans, and cotton into next year.
- 3 **A well-balanced recovery.** Available indications of current and future business activity suggest the economy is growing neither too strongly to rekindle inflation nor too weakly to bring on recession. The general economy is likely to show some improvement in late 1976 or early 1977, leading to reduced unemployment and increased consumer demand.
- 4 **1976 crops are almost all in the bin**, and despite weather problems, the total will probably add up to the third largest on record. Live-stock supplies are large, too. Placements of cattle on feed, pig crops, and the broiler hatch suggest continued large supplies of livestock and products through the rest of 1976 and into the first half of next year.
- 9 **Good news for the holidays:** Retail food prices are expected to remain relatively stable for the rest of the year, ending up possibly only 1 or 2 percent above last December. And with large turkey supplies available, retail specializing will likely be heavy during the coming holidays. Consumers may find turkeys selling for a dime or so less per pound than last fall.
- 12 **Lots of policy changes in the past month**, with loan rates boosted for grains and meat import quotas imposed. Also, USDA has announced there will be no cropland set-aside in 1977.
- 13 **Slowest rise in input prices in 3 years** is expected for 1976—with the average projected to end up at about 8 percent. For much of the year sharply lower feeder livestock prices have helped offset higher prices for most other inputs.
- 15 **Foreign demand still strong** for farm products, even though grain production is expanding worldwide, and total world grain trade may be drawn down somewhat.
- 17 **Top money makers . . . crops** will likely continue the top income producer for farmers in 1976 as they have for the past 2 years. This special chart presentation traces trends and developments which have taken place in farm income over the past decade or so.

FARM INCOME CLOSE TO YEAR-EARLIER LEVELS

The food and agricultural outlook reflects some recent sluggishness in domestic demand as well as a deterioration in crop production prospects relative to earlier expectations for a large feed grain crop. Declining farm prices for livestock and grain have slowed farm income gains relative to the strong first half. Large food supplies will likely mean relatively stable food prices for consumers into 1977.

Any improvement in the farm situation in the first half of 1977 will depend on further improvement in consumer demand and strong export markets. The general economy is likely to improve in late 1976 and into 1977, leading to reduced unemployment and increased consumer demand. By mid-1977, a strengthening domestic demand coupled with tightening supplies of beef and some other commodities will likely strengthen farm prices and may put upward pressure on retail food prices.

Crop Picture Clears

After deteriorating this summer, crop conditions have generally stabilized in recent weeks.

Total crop output this year based on October 1 conditions is expected to be down around 3 percent from 1975, although grain production is large and is expected to be generally adequate for expected domestic and foreign demand. The soybean crop is down 18 percent and the cotton crop is nearly a fifth larger. But both will likely be in tight supply in 1976/77 with carryover at the end of the year expected to be down to minimum pipeline levels. Wheat supplies are record large and, although domestic use and exports may total nearly as large as this past year, another substantial buildup in stocks is indicated. Feed grain production and supplies will be close to year-earlier levels, but a little larger domestic use will pull carryover stocks down a bit.

Tightening prospective supplies should firm the price outlook for grains and soybeans compared with expectations earlier this year which were based on prospects for larger crops. The price picture is mixed, with 1976/77 season average prices likely ranging near year-earlier levels for corn and possibly 10 to 15 percent lower for wheat.

However, soybean prices to farmers in the 1976/77 marketing year will be higher, perhaps averaging \$1 to \$2 per

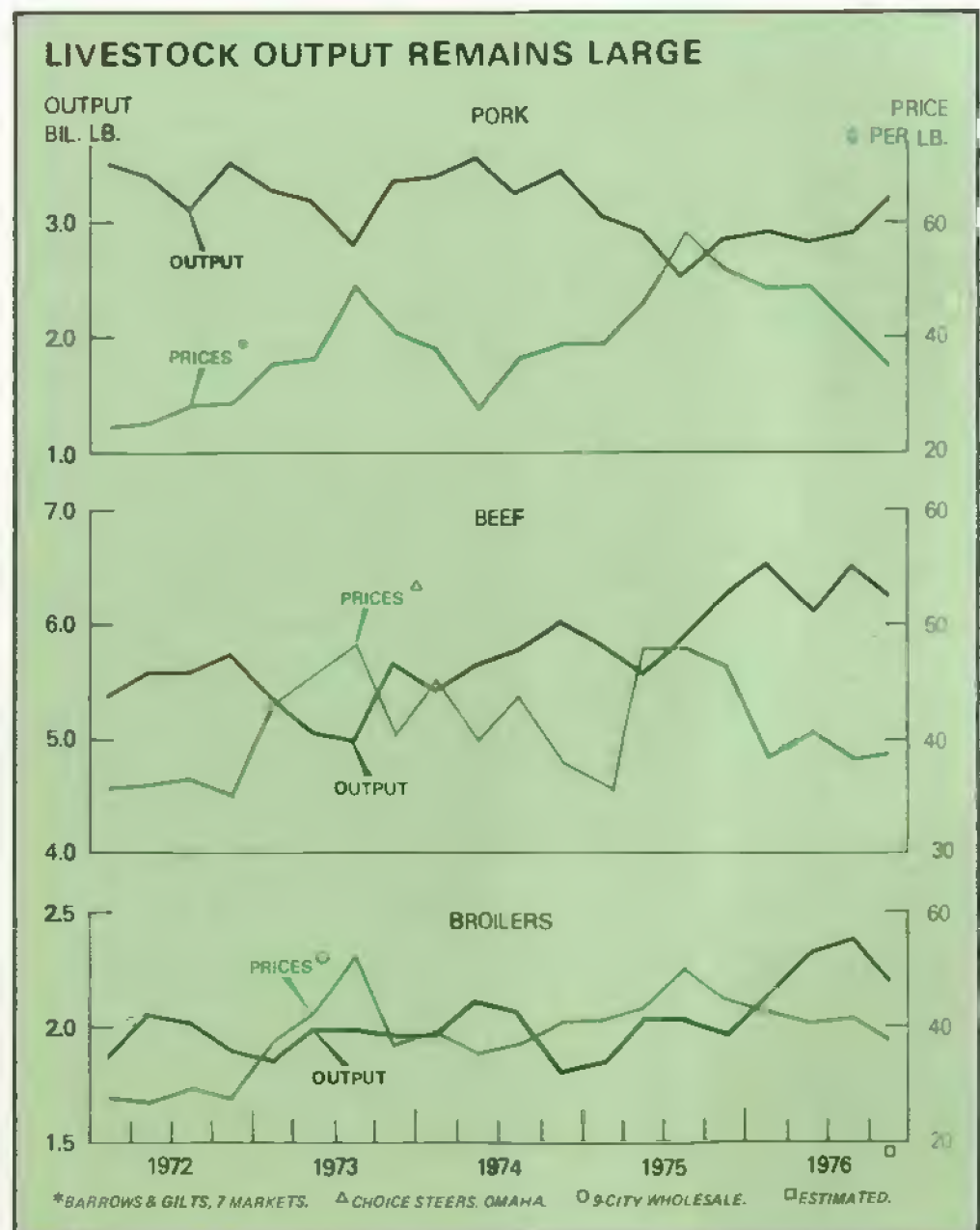
bushel above 1975/76's \$5 average. Prices in September, at \$6.65 per bushel, were \$1.33 more than a year ago, but prices declined in October apparently due to some easing in foreign demand as foreign buyers awaited crop price developments.

Livestock Supplies Large

Placements of cattle on feed, pig crops, and the broiler hatch suggest continued large supplies of livestock and products through the rest of 1976 and

well into 1977. Production of livestock and livestock products this year will total 5 to 6 percent above depressed 1975 output. This year's gain reflects big increases in production of fed cattle, poultry, and milk, as well as the rapid upswing in the hog production cycle since midyear. Output gains this summer have been larger than estimated earlier in the year and big enough to slash farmers' prices despite an expanding consumer demand for food.

Output of poultry and red meat will likely expand further in the first half of



1977 but with a shift in the mix to more pork and poultry and less beef. Milk and egg production may continue above a year earlier through the first half of next year.

A major question in current outlook prospects is how livestock and poultry feeders will react to the cost-price situation they are now facing in planning their production and feeding operations. Placements of cattle on feed were down in July-September which lends a bit stronger tone to price prospects this winter and next year, especially for cattle. With recent declines in grain prices, as a large crop is being rapidly harvested, stronger futures markets for cattle are improving earnings prospects for livestock producers well into 1977.

Hog producers indicated the fall pig crop would be up 18 percent, but they reported their intentions to farrow only 9 percent more sows during December-February. But this assures a high level of production through 1977. Broiler chick placements have started to slow some from summer rates. Milk output this fall has been running 5 to 6 percent above last year as dairy farmers fed more grain and concentrates.

Domestic Feed Use Up

Domestic feeding of grains, including wheat, in 1976/77 is expected to increase, but possibly about half as much as the 10-percent increase in the 1975/76 feeding year. Feeding of grain in June-September totaled 28 million tons, 13 percent above the low volume fed in the same period of 1975.

Wheat prices in many areas of the country have been competitive with feed grains in recent months. With record wheat supplies available, perhaps 150 to 200 million bushels of wheat may be fed to animals during the June 1976-May 1977 year, compared with 75 million the year before.

Foreign Demand To Remain Strong

Grain production is expanding worldwide this year, with combined grain output (wheat, coarse grains, and rice) expected to be up some 5 or 6 percent from last year's reduced level. Much larger grain production in the Soviet Union has more than offset smaller European harvests. The USSR grain crop is now expected to exceed 215 million tons, well in excess of their goal and substantially above last year's weather-reduced 140-million-ton crop.

Many countries have indicated plans to build grain stocks from the previous year's reduced level. With prospects that world consumption will grow less rapidly than production in 1976/77, total world grain stocks by the end of the 1976/77 marketing year may be up 20 to 25 percent from carryin levels. This

improvement in world grain supplies will likely lead to some reduction in total world grain trade.

Nevertheless, current world demand prospects point to continued high U.S. agricultural exports. The value of exports in fiscal 1977 is expected to total close to last year's \$22 billion. However, U.S. grain export volume will probably run around 5 percent below 1975/76's record 83 million tons, with smaller exports likely for both feed grains and wheat.

Steady Food Prices Likely

Retail food prices are expected to remain relatively steady through the remainder of this year and into early 1977. Widening marketing spreads and strong consumer demand should counter the effects of larger supplies of most foods. As a result, food prices at yearend may be only 1 to 2 percent above a year earlier. With year-to-year gains slackening since the beginning of 1976, retail food prices for the whole year may average around 3 percent above 1975.

Much of this year's rise has been for food consumed away from home. Grocery store food prices have been quite stable throughout 1976, and food at home may average around 2½ percent above 1975.

Large domestic food supplies will tend to dampen food price rises during the first half of 1977. But strong demand, rising marketing costs, and seasonal price increases for several food categories likely will result in moderate

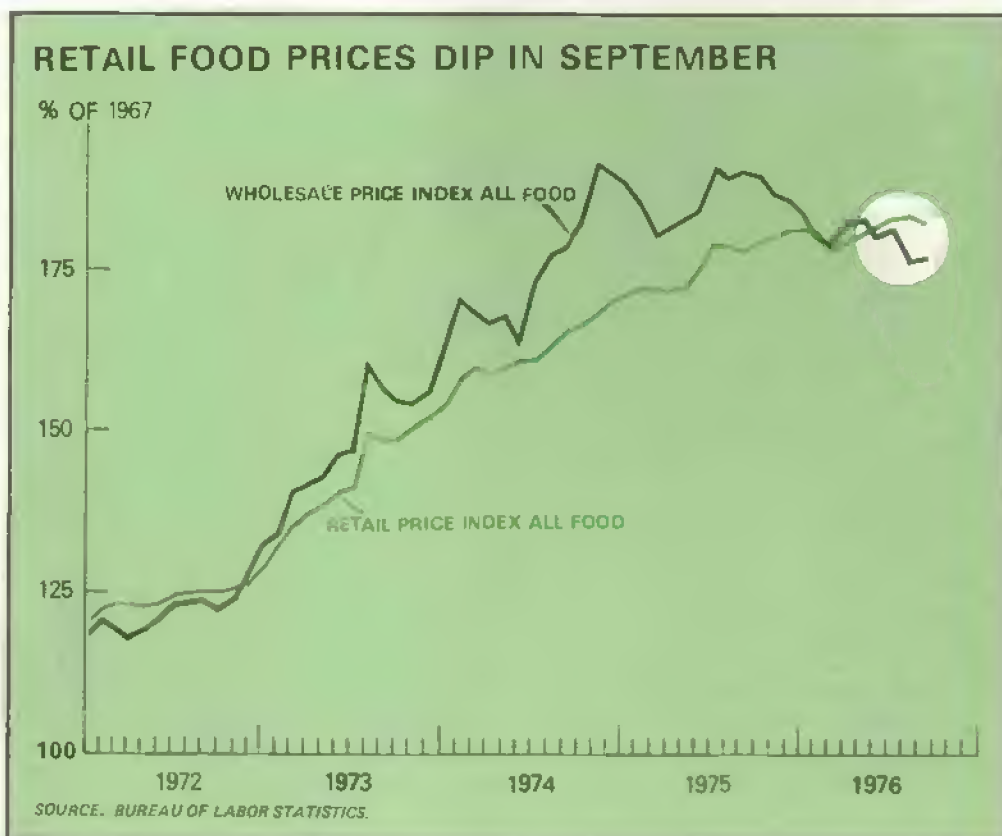
food price advances. Small price increases this winter may be mostly associated with fresh vegetables and coffee. By next spring, food prices may be rising a little more rapidly, if beef production is cut back as expected and fresh produce prices strengthen as usual. Food prices for the first half of 1977 could range around 2 to 4 percent above a year earlier depending importantly on supplies of meats and expansion in domestic demand.

Per capita food consumption for all of 1976 still appears likely to be up a little over 2 percent from 1975 and near the record high of 1972. Consumption of crop foods may be up a little over 1 percent, with animal product use up about 3 percent from 1975. Prospects for large food supplies continuing into 1977 will likely maintain a high rate of per capita use.

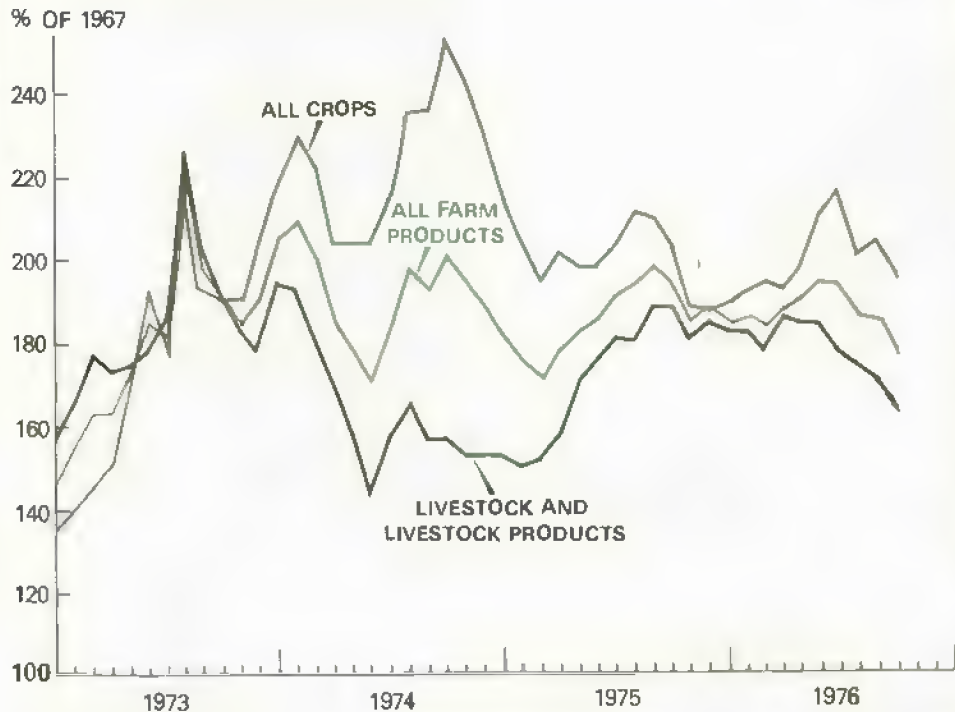
Marketing Spreads Push Higher

The farm value of a market basket of farm-produced foods, which dropped in the third quarter, is expected to continue downward in the fourth quarter as large supplies of most food commodities become available. As a result, the farm value of the market basket for all of 1976 will probably average about 4 percent below 1975, reflecting near-record supplies of crop and livestock products.

Food price rises this year at retail reflect wider farm-retail price spreads as well as sharply higher prices for coffee, fishery products, and foods eaten away from home. The marketing spread this year may average around 5 percent



FARM PRICES WEAKEN



above 1975.

Widening marketing spreads for foods are expected to contribute to a moderate rise in food prices in the first half of 1977. Spreads for beef and pork may narrow next year if cattle and hog prices strengthen as the year progresses. Increases in spreads for other farm foods are likely as marketing firms adjust prices and margins to reflect rising wage rates and rising costs of other purchased items and services.

GENERAL ECONOMY

The general economy continues to revive at rates consistent with prior recoveries and perhaps necessary to "wring out" the latest inflationary pressures. However, the current rate is not likely to generate rapid improvement in the unemployment situation. The available indications of current and future business activity suggest that the economy is in a well-balanced recovery, growing neither too strongly so as to rekindle inflation nor too weakly so as to threaten another slump.

The current upturn is the seventh cyclical recovery since the end of World War II. The average length of the previous six recoveries works out to 48 months. The shortest, the 1958-60 upturn, lasted 24 months. The longest, in 1961-69, continued for 106 months.

After four quarters of the current recovery, real GNP was up slightly more than 7 percent. This was well within the

Rising Production Expenses Offset Larger Gross Farm Income

Farmers will likely market a record volume of farm products during calendar 1976, with larger sales of both crops and livestock. An expanding domestic demand and a record export market have helped to support prices.

Overall, commodity prices this year are likely to average slightly higher than in 1975, reflecting animal product prices 2 to 3 percent higher and crop

first year range of the previous five recoveries. Growth during the second year of previous postwar recoveries has averaged 3.7 percent.

Preliminary data released on the third quarter of 1976 suggest that midway through the second year of the current recovery the growth rate is around 4 percent. Price increases as measured by the GNP deflator are averaging in the 4- to 5-percent range.

More specifically, real output (GNP adjusted for price changes) in the third quarter 1976 increased 4 percent at an annual rate compared with 4.5 percent in the second quarter. Prices, as measured by the GNP chain price index, rose at an annual rate of 4.6 percent, compared with 5.4 percent in the second quarter. The basic factor leading to the slowdown was a slower rate of inventory accumulation by business.

Meanwhile the unemployment rate remained virtually unchanged—declining from 7.9 percent in August to 7.8 percent in September.

prices holding around the 1975 average. However, because of larger than expected output gains, livestock prices are running below earlier expectations and are now averaging well below a year ago. At the same time, it appears that crop prices, which are now holding close to year-earlier levels, will be stronger than previously forecast when crop prospects pointed to larger feed grain supplies.

Slightly higher average prices and larger marketings will result in a record flow of cash receipts to farmers. Receipts in 1976 may be up 4 to 6 percent from 1975's \$89½ billion. Livestock receipts are likely to be up around 8 to 10 percent largely due to a strong first half performance. In the first half of 1976, livestock receipts were about 20 percent larger but are likely to be near or below year-earlier levels through yearend. For the year, crop receipts should be up slightly due to increased crop marketings originating from the two near-record crops.

Farm production expenses will likely continue to rise, but perhaps less than in the past year. Prices paid by farmers as of September were running around 5 percent above a year ago, and input usage probably is near that of 1975. Thus, rising costs are expected to offset much of the gain in gross income.

On balance, the net income position of farmers for calendar year 1976 is not expected to vary much from a year ago. Net cash income realized by farmers this year may total a little above 1975. But total net income, which includes an allowance for inventory change, will depend on whether farmers decide to carryover a larger share of their grains, soybeans, and cotton into next year.

However, the performance of the unemployment rate in the current recovery is directly related to the rapid growth in the labor force. During the first year of the current recovery the civilian labor force grew by 2 percent. By contrast, the first year of previous postwar recoveries generated an average growth of 0.9 percent. Meanwhile, the growth in employment has been near that of previous recoveries. The result, of course, is a continuing high rate of unemployment. Not only has the labor force increased rapidly, but the new entrants have shifted the composition of the labor force toward more women and youths—groups which have traditionally had higher unemployment rates.

It is clear that stronger economic growth will be essential in offsetting the rapid growth in the labor force. However, until substantial business investment can be generated to boost the economy in 1977, it is unlikely that much improvement in unemployment rates will result. (Terry Barr)



COMMODITIES

The 1976 crops have come in fast and are almost all in the bin—and despite weather problems, the total will probably add up to the third largest of record.

Corn output is at an all-time high. Estimated total tonnage of feed grains about matches the large 1975 crop. Moreover, a near-record wheat supply with relatively low wheat prices is expected to encourage big increases in wheat feeding in the United States and in some other countries.

Although grain crops are relatively large, recent tightening supplies are firming the price and income outlook for grains and soybeans, compared with earlier expectations which were based on prospects for larger grain and soybean crops. The season-average price picture, however, will be mixed, with 1976/77 prices averaging about unchanged for corn and possibly a tenth lower for wheat.

The increase in loan rates for grains will give farmers in some areas another marketing option, but market prices are expected to be generally above loan rates.

Prices of soybeans as well as fibers and tobacco are expected to average well above 1975/76 because of tight supplies relative to prospective demand conditions.

Although down from last summer, grain prices are relatively strong and livestock prices are weak. Following the rapid expansion in 1975/76, this will likely have some dampening effect on the feeding and production plans of livestock and poultry producers for the coming year. However, at this point, placements of cattle on feed, pig crops,

and the broiler hatch suggest continued large supplies of livestock and products through the rest of 1976 and into early 1977. Although beef production will probably drop below year-ago levels by early 1977, larger output of pork and broilers will be offsetting. Total meat production should be up around 5 to 6 percent from a year ago in October-December, with year-to-year increases narrowing in the first quarter of 1977. Milk and egg production likely will continue above a year ago early next year.

Holiday Turkey Supplies Large

Turkey production has expanded sharply and will continue above a year earlier through most of the remainder of 1976. This year's turkey crop is estimated to total a record 138 million birds, up 11 percent from 1975 and 4 percent above the previous high recorded in 1973.

Output of turkey meat in federally inspected plants during the first 9 months was almost a fifth above January-September 1975. The increase was the result of more turkeys marketed and at heavier weights.

The sharply higher turkey output is reflected in a buildup in cold storage holdings. At the beginning of this year stocks totaled 195 million pounds, 80 million below January 1, 1975. However, by October 1 stocks had moved 47 million pounds above the year-earlier level and at 457 million pounds were the second largest for the date on record. The highest was 529 million pounds in 1974.

Turkey slaughter this fall will show a smaller margin of increase over 1975

than earlier this year, but should still be 6 to 8 percent above October-December 1975. The increased slaughter, combined with larger October 1 stocks, suggests available turkey supplies this fall may be up 8 to 10 percent from the same period in 1975.

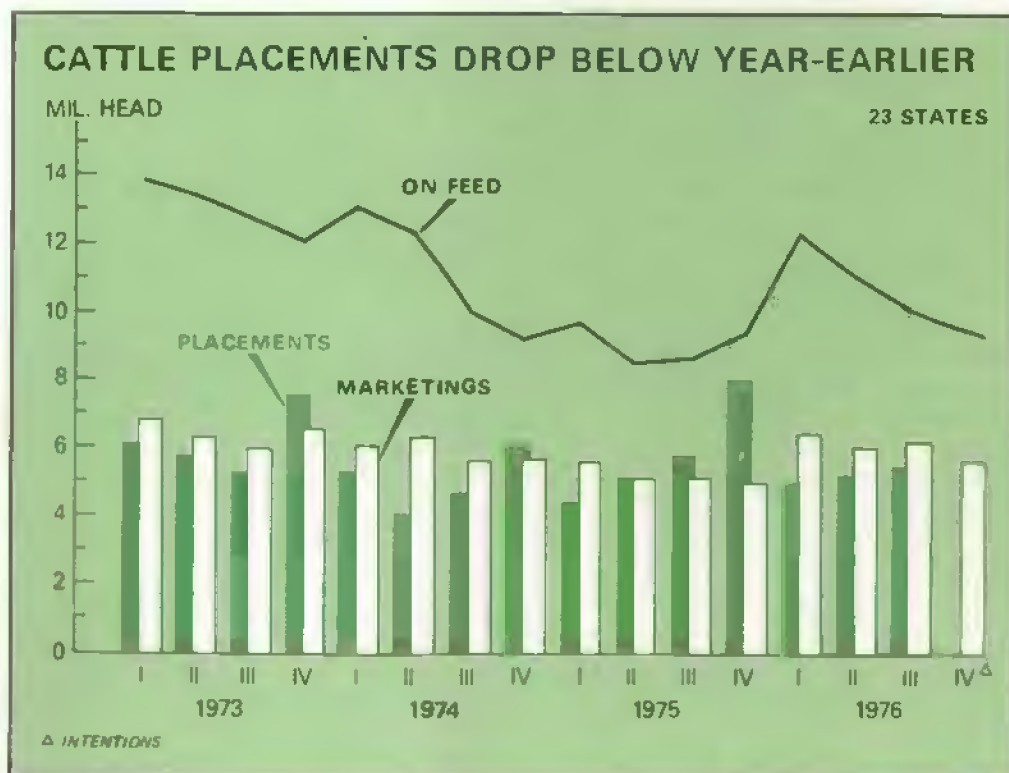
Turkey prices have been relatively weak in recent months as a result of higher output of turkeys and other meats. New York wholesale prices for 8 to 16-pound young hen turkeys during July-September averaged 48.5 cents a pound, almost 9 cents below a year earlier. Prices during the balance of 1976 may average in the 46 to 48-cents-a-pound range, compared with a 56-cent average in October-December 1975. Turkey prices usually show a seasonal increase in the fall, but the larger turkey supplies this fall will combine with larger supplies of beef, pork, and chicken to limit this seasonal rise.

With large turkey supplies available, retail specializing will likely be heavy during the coming holiday season. Consumers may find turkeys selling for around a dime a pound below what they were last fall.

The lower-than-year-earlier market prices for turkeys will likely place producers in a cost-price squeeze this fall. This, in turn, is expected to lead to a sharp reduction in turkey production during the first half of 1977. (William Cathcart)

Slowdown in Beef Production in the Offing

Third quarter placements of 5.7 million cattle on feed were 6 percent below a year earlier with a rather sharp cut-



back in September. The reduction results from smaller-than-expected feed grain supplies and low fed cattle prices. Choice fed steer prices averaged near \$37 per cwt. during the summer quarter, some \$10 below last year. Choice feeder steers also averaged near \$37 but were \$2 above year-earlier levels. Currently, costs of grain and feeders relative to prospects for further strengthening in fed cattle prices (including futures prices) point to some improvement in returns, compared with losses on cattle feeding operations most of this year.

Fed cattle marketings during July-September totaled 6.2 million, up 23 percent from 1975's reduced level. The 23-State inventory of cattle on feed continued to decline during September as fed marketings exceeded placements.

Feedlot activity is slowing. Cattle feeders in 23 States indicated on October 1 they planned to market 5.5 million fed cattle during the fourth quarter of 1976. This would be a reduction of 11 percent from the third quarter, though still an 11-percent increase from fourth quarter 1975, the lowest fourth quarter fed marketings since 1966. The increase in fed marketings from the year-earlier level should be offset by a considerable reduction in cow slaughter. Nonfed slaughter will still be high but below 1975.

The recent trend toward fewer cattle placements should pull down fed marketings beginning early in 1977. Nonfed slaughter during early 1977, although still relatively high, should be below year-earlier record levels as the liquidation phase of the cattle cycle slows. Accordingly, reductions in slaughter

may reduce first half 1977 beef production as much as 4 to 6 percent from 1976's record highs. And the reduced availability of beef will likely rally the fed cattle market, pushing Choice steer prices into the low \$40's during the first quarter and perhaps around the mid-\$40's by the spring of 1977. Improvement in fed cattle prices next year should induce increases in placements. Winter and spring placements of cattle on feed could run 5 or 6 percent above year-earlier levels.

Actual and planned increases in the number of sows farrowing this summer and fall will contribute to continued growth in pork production through 1977. Pork production in January-June next year may be around a fifth larger than during the first half of 1976.

Farrowing indications for December-February point to a 9-percent increase from a year earlier. Farrowings during the spring will likely show a moderate gain from the high year-earlier rate, suggesting increases in pork production through 1977.

Hog prices in October averaged \$32 per cwt. (barrows and gilts, seven markets), reflecting the big increase in output of pork as well as large supplies of chicken and beef. Prospects for further expansion in pork production likely will keep prices relatively low. But with seasonal reductions in slaughter next spring, prices may range in the upper \$30's. (Joe Arata)

Bloom Is Off Dairy Prices

Heavy supplies of dairy products caused a sharp break in butter and cheese prices during late summer,

despite fairly strong dairy sales. The price declines about wiped out the June-July increases and by mid-October, wholesale prices averaged close to mid-May levels and to the new support purchase prices.

Higher wholesale prices for American cheese provided much of the strength in wholesale dairy prices and farm milk prices this year. After remaining strong through the seasonal peak in milk production, the price of 40-pound blocks of American cheese at Wisconsin assembly points rose almost 12 cents to \$1.08 per pound by early August. These price rises occurred as the larger cheese sales outweighed the 20-25 percent production increases from a year ago. However, heavy July-September milk output pushed American cheese production up more than a third from 1975 and commercial stocks mounted. By mid-October, 40-pound blocks of American cheese had fallen to less than 94 cents per pound, about a penny below mid-May and only slightly above the 92½ cents-per-pound support purchase price.

Wholesale price movements for butter essentially paralleled changes in American cheese prices. Although second quarter butter sales were well below 1975, they were the same as the 1970-74 average and were strong enough to cause wholesale butter prices to rise sharply, as long as cheese production drew off enough milk to keep butter output below 1975. However, as butter production in July-September moved well above year-earlier rates in July-September, the earlier 18 cents-per-pound price rise was erased. In mid-October, grade A butter in Chicago was selling at the new support purchase price of 90.8 cents per pound.

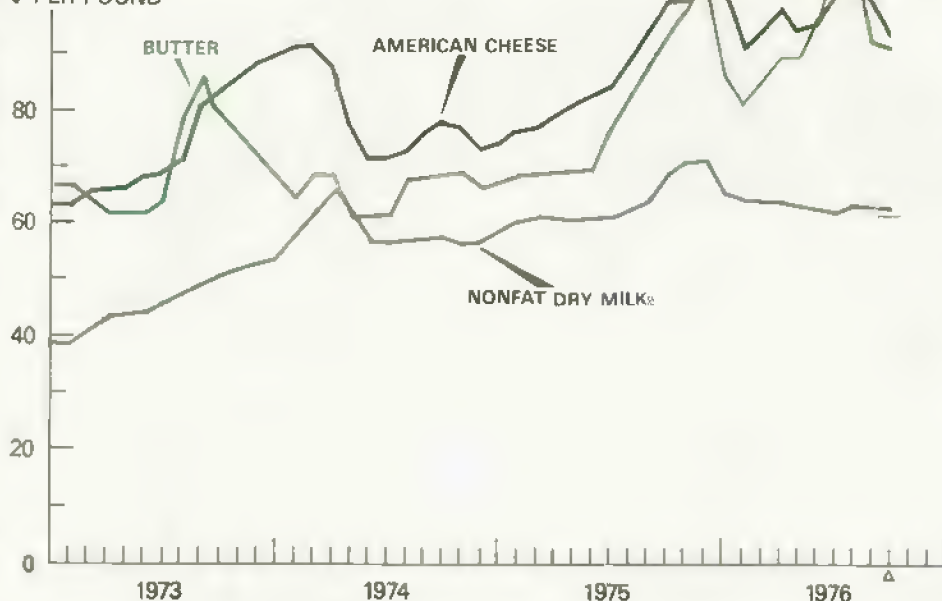
Unlike butter and cheese, nonfat dry milk supplies were more than ample and prices remained near the support purchase price throughout the summer.

Minimum prices under the Federal order markets for milk used in fluid products (Class I) are based on manufacturing grade milk prices in Minnesota-Wisconsin 2 months earlier. Therefore, minimum Class I prices will not reflect the declines in wholesale dairy product markets until November, when they will drop 53 cents per 100 pounds from the October peak.

In light of large commercial stocks and prospects for strong year-to-year gains in milk output, it is unlikely that wholesale dairy product prices will rise much in the next few weeks, even though milk production will be at a seasonal low. By early 1977, wholesale prices of dairy products likely will be at support levels and USDA probably will purchase considerable quantities of butter and cheese, unless gains in milk output narrow sharply. (James J. Miller)

WHOLESALE BUTTER AND CHEESE PRICES DECLINE

¢ PER POUND



△ AVERAGE THROUGH OCTOBER 19.

Economics of Agriculture Available

The latest edition of *Economics of Agriculture: Reports and Publications Issued or Sponsored by USDA's Economic Research Service, July 1974-June 1975* is now off press.

Listing publications on agricultural economics and related socioeconomic issues, the supplement includes citations for all published material of more than temporary interest regardless of the form in which published or current availability. Important among these are publications in the Department and ERS series, periodic reports, and results of State-Federal cooperative studies. Articles in technical and professional journals are cited as well as proceedings of symposia and conferences relating to ERS research results. The publications are grouped by subject-matter areas and by the ERS divisions responsible for research.

Copies of Supplement No. 7 to ERS-368 may be obtained by writing to ERS Publications Unit, Room 0054, South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Please include your zip code.

Prospective Cut in Vegetable Supplies Supports Price Increases

Coupling the acreage cuts with weather setbacks, total raw tonnage of seven major processing vegetable crops is expected to fall about a fifth from a year ago to the lowest level since 1972.

Although the data are far from complete at this time, the prospective supply of 10 important canned vegetables would be moderately smaller than in 1975/76, but it would be large enough to cover expected disappearance during the 1976/77 marketing season.

It appears that 1976 packs of frozen vegetables will be materially smaller, and with fairly active trade movement expected, the carryover at the end of 1976/77 would probably be lower than either of the two previous marketing seasons. Nevertheless, total supplies will be adequate, although one or two items may turn out on the short side.

Wholesale prices for canned vegetables had been easing through much of this year. However, with the prospect of less burdensome supplies, prices bottomed out late in the summer, and some moderate upward movement is developing as the new selling season gets underway. Wholesale prices for frozen vegetables have firmed up, too, as the supply situation moves into closer balance with use.

Fresh market vegetable supplies this fall may be slightly larger than a year earlier, if yields equal the historical

average. Because untimely rains in California interfered with harvest in late September, grower and retail prices moved up sharply early in the fourth quarter. Grower prices probably will average close to or slightly above a year earlier in the fourth quarter. However, for the entire year, fresh market vegetable prices to growers may edge down some from the 1975 average. (Charles Porter)

Prospects of European Potato Purchases Help Shore Up Slumping Prices

Despite a record large fall potato crop of 300 million cwt., growers may avert a price disaster by exporting substantial quantities to drought-stricken Europe. Usually only 1 to 2 percent of the U.S. crop is exported, largely to Canada and mostly during the late spring. This year fresh, frozen, and dehydrated potatoes are being shipped to France, the United Kingdom, Holland, Belgium, Italy, and West Germany—and there is room to ship out the raw equivalent of up to 40 million cwt. while retaining enough potatoes to meet normal trade needs here. At prospective supply-demand levels, about 260 million cwt. will be used from the U.S. fall crop for domestic food and seed use. Prices will hold below a year ago during the first part of the storage season.

With the dry bean crop again small, and only 1 percent more than last year, U.S. producers may expect some gradual price improvement. Supplies of white beans probably are moderately larger than a year ago, but with reduced volume from Colorado and North

Dakota, supplies of pinto beans, the leading colored class, are expected to be smaller this year. (Charles Porter)

Record Citrus Crop Ahead

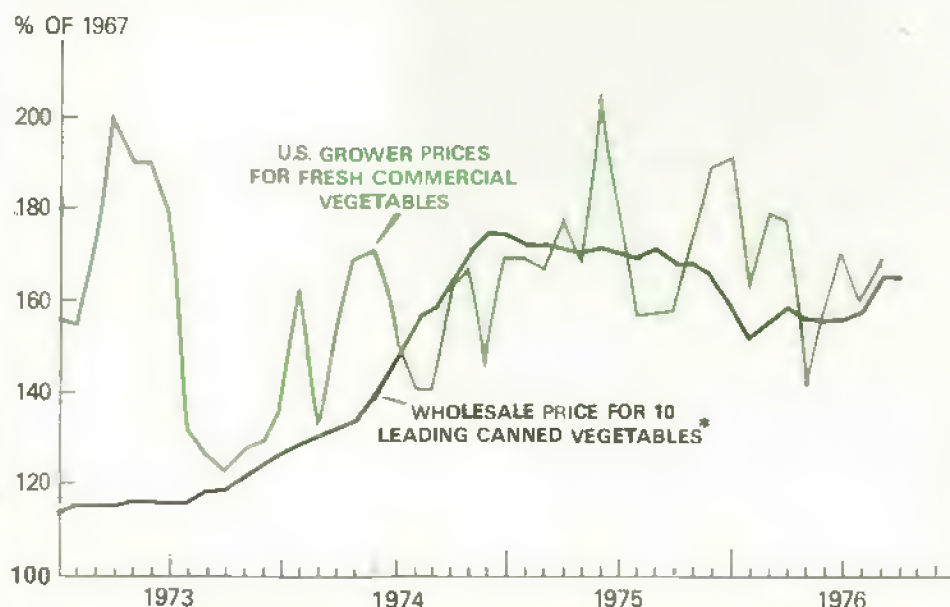
The scene seems set for a record citrus crop in 1976/77—with output up for all types except Florida tangelos which are forecast to be the same as a year ago. In all, October 1 prospects for all citrus items pointed to a total output of 16.5 million tons (excluding grapefruit in California other than desert areas), almost 15 percent above 1975/76.

The orange crop is headed for a new all-time high of 11.8 million tons (271.4 million boxes), 12 percent above the previous peak last season. A rundown of October 1 prospects puts the all-orange crop in Florida 15 percent ahead of last season's; the California Valencia crop up 4 percent but navel and miscellaneous production down 5 percent; the Arizona orange crop 57 percent above last season's small crop, and not much change in Texas.

Movement of frozen concentrated orange juice (FCOJ) so far this season has been moderately ahead of last season's pace. However, current stocks of FCOJ are still moderately above last year. Thus, combined with a record large orange crop, prospects for oranges through this winter point to grower prices substantially lower than a year ago.

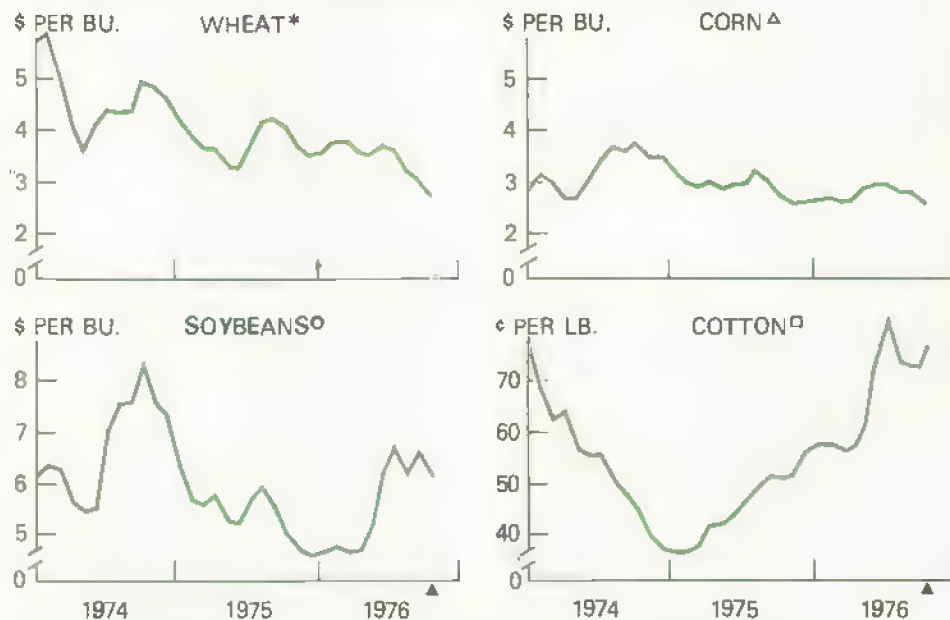
A record grapefruit crop is being forecast, up substantially from last season. Domestic movement of fresh grapefruit during 1976/77 is expected to expand and exports also may register a mod-

CANNED VEGETABLE PRICES STRENGTHENING



* INDEX DEVELOPED BY ERS FOR SNAP BEANS, CORN, PEAS, TOMATOES, TOMATO JUICE, TOMATO CATSUP, BEETS, CARROTS, SAUERKRAUT, AND SPINACH.

GRAIN AND SOYBEAN PRICES AVERAGE LOWER



erate gain over 1975/76. Processor demand is likely to remain good as movement of most processed grapefruit products was generally encouraging last season. Carryover stocks are below last season's levels. Thus, in view of the record crop in prospect, grower returns for grapefruit are expected to be only moderately below last year. (Jules Powell and Ben Huang)

Feed Use of Grain To Rise More Slowly in 1976/77

Feed use of grains, including wheat, will continue to increase in 1976/77, but perhaps only about half as much as the 10-percent gain in the 1975/76 feeding year. Further but slower expansion is in prospect for livestock and poultry feeding. The expansion of pork production now in progress and a modest pickup in broiler output will continue through the first half of 1977. These increases likely will more than offset some slackening in cattle feeding and in turkey production from a year earlier in the first half. Strong oilmeal prices also will boost the demand for feed grains and wheat and perhaps shave the protein content of feeding rations from the strong use in 1975/76.

Feed grain exports in 1976/77 are projected to range from 43 to 51 million metric tons, with corn accounting for more than four-fifths of the total. This compares with the all-time high of 49½ million metric tons in 1975/76, when Soviet purchases were very large. Large purchases of feed grains in 1976/77 are expected by West and East European countries which have suffered prolonged drought.

Recent reports on projected levels of supply and disappearance suggest a small increase in the corn carryover at the end of 1976/77, perhaps to a range of 8 to 14 million metric tons, compared with a 10 million ton carryover from 1975/76. With this outlook, corn prices at the farm in 1976/77 may average in the \$2.25 to \$2.75 per bushel range. (George R. Rockwell, Jr.)

Wheat Feeding Slated for Big Gains in 1976/77

U.S. use of wheat for food in 1976/77 is projected at 550 million bushels, moderately below 1975/76's exceptionally high level. But use of wheat for livestock and poultry feeding is projected at 150 to 200 million bushels, up from 74 million in 1975/76 and the largest since the 260 million bushels fed in 1971/72. Wheat prices have declined enough to make wheat competitive with corn in feeding rations in many areas, particularly in those with large feeding operations that are deficit in corn but surplus in wheat production. (George R. Rockwell, Jr.)

Wheat Exports Will Remain Large, Though Trailing 1975/76

U.S. wheat exports in 1976/77 may not match last year's 1,173 million bushels because world supplies are larger than they have been in the past few years. World wheat production in 1976 is projected at 386 million metric tons, up from 350 million last year.

Domestic use and exports in 1976/77 are likely to total less than the 1976 crop. This would lead to a further buildup in stocks at the end of the

marketing year.

With the large wheat supply and export sales moving at a slower pace, prices have come under pressure. In late October, the price of wheat at Kansas City averaged around \$2.75 a bushel, down from \$4.00 a year earlier. For 1976/77, farm prices may average 10 to 15 percent less than the \$3.52 of 1975/76. (George R. Rockwell Jr.)

Record U.S. Rice Supply Pressures Prices

The 1976/77 U.S. rice marketing year started off with a record supply in prospect and a new rice program in effect. The buildup in world rice supplies the past 3 years may reverse if early indications hold and the world crop declines for the first time since 1972. But U.S. stocks seem headed for a further buildup, even though U.S. exports are slated to rise in 1976/77.

All-time high stocks of 37 million cwt. were on hand at the start of the 1976/77 season. Half were inventories of the Commodity Credit Corporation (CCC); still, stocks in private ownership were also record large.

We currently anticipate that, after a sharp drop last season, both commercial and P.L. 480 exports may pick up substantially in 1976/77 because of smaller prospective crops in major producing countries and expected expansion of world consumption. Also, some export sales made last year were carried over into 1976/77. Export commitments already have been running well ahead of last year's pace, prodded partly by the much heavier early-season shipments under P.L. 480. Domestic use also is likely to rise modestly if food use follows recent trends and brewers continue to step up rice use.

But even though U.S. disappearance

November Situation Report Schedule

Situation reports which will be released by USDA's Outlook and Situation Board during November 1976 include:

Title	Off Press
Vegetable	November 4
Feed	November 8
Fruit	November 10
National Food	November 11
Ag Supply & Demand	November 11
Cotton & Wool	November 15
Livestock & Meat	November 16
Wheat	November 16
Ag Finance Outlook	November 17

Single copies of the above reports may be obtained by writing to: ERS Publications Unit, Room 0054, South Building, USDA, Washington, D.C. 20250.

and exports are likely to be larger in 1976/77, U.S. ending stocks will increase unless the world rice crop worsens from current prospects.

World rice prices strengthened some in September. Milled white rice prices (1st grade, f.o.b. Bangkok) rose from \$270 per metric ton in August to \$300 by the end of September and were holding at that level in early October.

Even so, early season domestic farm prices have averaged around \$6.50 per cwt., a third below a year ago and for the 1976/77 season likely will be well below the \$7.93 per cwt. estimated for 1975/76. Thus, growers will receive deficiency payments on their allotment production if market prices continue below the \$8.25 target price in the new rice program. (George R. Rockwell, Jr.)

Soybean Supply-Demand in Close Balance

Sharply reduced U.S. supplies and higher prices will put a real crimp in soybean use in 1976/77.

Because of smaller acreage and low yields, the 1976 soybean crop is estimated at only 1.25 billion bushels, 18 percent below last year. Even adding in the larger carryover, supplies are down more than a tenth.

Because of the smaller supplies and resultant higher prices, total soybean disappearance is expected to decline to around 1.4 billion bushels, off about 5 percent from last season's record. Both domestic crushings and exports are expected to share in the decline.

Domestic crushings are forecast at 785 million bushels, down roughly a tenth. The smaller crush mainly reflects lower domestic requirements for soybean meal and oil from last year's record rate of use. Moreover, record large oil inventories are overhanging the market this fall. Some decline in soybean meal exports also will tend to restrict crushings.

Soybean exports are forecast at 525 million bushels, down about 6 percent. With about 55 million bushels of 1976 crop soybeans already contracted for by the USSR and the guarantee to Japan of at least 110 million bushels, fewer U.S. soybeans will be available for other markets. In 1975/76 the United States shipped about 12 million bushels to the Soviet Union and 118 million to Japan.

Despite the contraction in use, total disposition is expected to exceed 1976 production by about 150 million bushels, leading to a sharp drawdown in stocks. Carryover on September 1, 1977, may be down to minimum operating levels; perhaps around 100 million bushels which approximates about 1 month's requirement for crush and exports.

Soybean prices to farmers so far this season are averaging \$1.20 above a year

FOCUS: THE 1977 OUTLOOK FOR AGRICULTURE

Sessions: The agricultural and general economic outlook. World trade. Weather and climate patterns. Emerging farm policy issues. Retail food supplies and prices. Agricultural inputs. Food marketing and distribution. Consumer and family living issues. Environmental issues and impacts. The major farm commodities.

Speakers: A member of the President's Council of Economic Advisors on the U.S. economic outlook. USDA's Director of Agricultural Economics on emerging farm policy developments. A spokesman for the U.S. Department of State on trade issues. Assistant Secretary of Agriculture Richard Bell. Representatives of marketing and consumer organizations. The Chairman of ERS' Outlook and Situation Board. Plus other Government, business, consumer, and university authorities.

Just a few short reasons not to miss USDA's National Agricultural Outlook Conference, Nov. 15-18, in Washington, D.C. No cost—no advance registration required. It's too good to pass up. And there's only one way to get it all first-hand.

See October's *Agricultural Outlook* for a preliminary schedule, or call (202) 447-6250 for further information.

earlier and for the season may be \$1 to \$2 above the \$5 per bushel received last year. Prices will be highly influenced by the strength of domestic feed demand for meal and export demand for meal and beans. Soybean price trends later in the marketing season will depend on the expansion in Brazilian plantings this December as well as prospects for a sizable increase in U.S. soybean acreage next spring. These conditions could moderate upward price pressures in the second half. (Stanley A. Gazelle)

Domestic Use of Meal Expected To Decline

Soybean meal supplies for 1976/77 total an estimated 19 million short tons, about a tenth below last year. Domestic disappearance likely will drop sharply from last season's record 15.5 million tons, possibly to under 14 million. The sharp cutback in use reflects tighter supplies and higher bean prices. Although protein feeding will decline due to smaller meal supplies and relatively high prices, the reduced use will approximate the longer-run trend in rate of protein meal use in feeding rations.

Soybean meal exports are estimated at 4.8 million tons, down from 5.2 million last year, as higher prices along with increased competition from Brazil

and other oilmeals tend to limit exports. As in past years, Western Europe is expected to take around two-thirds of total U.S. exports. Reduced supplies of soybeans and meal are expected to result in meal prices averaging sharply above the \$147 per ton of last season, perhaps in the range of \$175 to \$200 a ton. (Stanley A. Gazelle)

Tight Supply-Demand Balance Pushes Cotton Prices Well Above Manmade Fibers

Cotton prospects for the 1976/77 season point to a continuing tight supply-demand balance and reduced stocks. Even with the nearly fourth larger 1976 crop, supplies are dropping slightly below last season's 14.1 million bales because of smaller beginning stocks. Meanwhile, relatively strong demand may boost 1976/77 disappearance around ½ million bales above last season's 10.6 million. As a result, cotton stocks may be pulled down to 3 to 3½ million bales by next August, compared with the relatively small 3.7 million on August 1, 1976.

The 1976 cotton crop is estimated at 10¼ million bales, based on October 1 conditions, up from 8.3 million last year. However, 1976 crop prospects have deteriorated about ¼ million bales since August 1 and further losses are possible in view of the freezing and near-freezing temperatures which occurred in early October in West Texas and Oklahoma. The national average yield is estimated at 445 pounds per harvested acre, compared with 453 pounds in 1975, and is 5 to 10 percent below normal.

U.S. cotton exports during 1976/77 are expected to total about a third above last season's 3.3 million bales. Improved prospects stem from continuing recovery in demand abroad. And with surplus foreign stocks worked off and U.S. cotton more competitively priced in world markets, our export sales have been averaging about ¼ million bales per month since January. We already have commitments of about 3½ million bales for foreign delivery this season.

Although U.S. textile fiber demand has tapered off in recent months, demand for cotton by domestic mills remains relatively strong. However, tight cotton supplies and currently high prices relative to other fibers are expected to result in greater substitution of manmades for cotton later in the season. Current mill-delivered cotton prices are around 50 percent above manmade fiber staple. In addition, record cotton textile imports will compete with U.S. mill consumption of cotton. Consequently, U.S. mill use may range between 6.3 and 6.9 million bales, down from last season's 7¼ million. (Russell Barlowe)



FOOD AND MARKETING

Retail food prices dropped nearly half a percent in September, the first decline in 6 months, while wholesale food prices rose only fractionally.

The September decline in retail food prices was the result of a 0.6 percent drop for food eaten at home. The Consumer Price Index (CPI) for snacks and for food eaten in restaurants rose 0.5 percent, averaging nearly 7 percent above September 1975. In contrast, the CPI for food at home was only 1 percent higher than a year ago, while nonfood items, which rose 0.7 percent in September, averaged 6½ percent higher.

Among food-at-home items, retail prices for beef, pork, and poultry declined reflecting larger red meat and poultry supplies. Prices for fresh fruits and vegetables dropped seasonally as did sugar prices. Increases for fish, coffee, dairy products, eggs, and fats and oils were somewhat offsetting. Most other items showed little change.

The Wholesale Price Index for all foods, which averaged 7 percent below September of 1975, showed only a fractional increase above August as prices for poultry, sugar, and dairy products dropped noticeably. However, sharp increases for fresh and dried fruits and vegetables, coffee, and fish—along with a small rise for red meats—were more than offsetting.

Food Prices To Remain Steady

Retail food prices for the July-September quarter averaged a little above the spring quarter and 2 percent above a year earlier. Retail food prices are expected to remain relatively steady through the remainder of this year and

into early 1977 as widening marketing spreads and strong consumer demand counter the effects of larger supplies in most major food categories. As a result, the all-food average at yearend may be only 1 or 2 percent above a year earlier. With year-to-year differences narrowing since the beginning of the year, retail prices for all of 1976 may average around 3 percent above 1975, falling toward the lower end of earlier projected ranges.

Higher prices for food away from home will account for much of the 1976 average food price rise. Prices for snacks and restaurant meals have climbed steadily with both yearend and annual average prices likely to be up 6 to 7 percent from 1975.

Grocery store food prices on the average have been remarkably stable throughout 1976. However, this stability largely reflects offsetting price movements among food categories rather

than stable prices across the board. Fourth quarter prices may dip slightly from the summer and show little change from a year earlier. For all of 1976, food-at-home prices may average around 2½ percent above 1975.

Preliminary data released by the U.S. Department of Commerce indicate that total personal consumption expenditures for food averaged nearly \$200 billion (seasonally adjusted annual rate) in the third quarter of 1976. This was an increase of less than 1½ percent from the previous quarter and one of the lowest advances in recent years. Spending for both food at home and food away from home rose at about the same pace.

Compared with a year earlier, food spending averaged 7 percent higher. Spending for food in grocery stores for use at home was up about 5½ percent, reflecting higher charges for processing and marketing as well as higher prices

EXPENDITURES FOR FOOD IN RELATION TO DISPOSABLE INCOME¹

Personal consumption expenditures for food²

Year	Disposable personal income	For use at home ³		Away from home ⁴		Total	
		Percentage		Percentage		Percentage	
		Amount	of income	Amount	of income	Amount	of income
	\$-Bil.	\$ Bil.	Pct.	\$ Bil.	Pct.	\$ Bil.	Pct.
1965	472.2	66.8	14.2	19.0	4.0	85.8	18.2
1966	510.4	72.4	14.2	20.2	3.9	92.6	18.1
1967	544.5	74.0	13.6	21.0	3.9	95.0	17.5
1968	588.1	79.5	13.5	23.2	3.9	102.7	17.5
1969	630.4	84.7	13.4	24.8	3.9	109.5	17.3
1970	685.9	91.8	13.4	26.8	3.9	118.6	17.3
1971	742.8	94.2	12.7	27.8	3.7	122.0	16.4
1972	801.3	100.5	12.5	30.1	3.8	130.6	16.3
1973	901.7	112.9	12.5	33.9	3.8	146.8	16.3
1974	982.9	128.6	13.1	38.4	3.9	167.0	17.0
1975	1,080.9	141.0	13.0	43.8	4.1	184.8	17.1
I	1,023.8	137.0	13.4	42.1	4.1	179.1	17.5
II	1,088.2	139.6	12.8	43.6	4.0	183.2	16.8
III	1,091.5	143.2	13.1	43.7	4.0	186.9	17.1
IV	1,119.9	144.1	12.9	46.0	4.1	190.1	17.0
1976							
I	1,147.6	147.0	12.8	47.0	4.1	194.0	16.9
II	1,172.5	149.3	12.7	48.0	4.1	197.3	16.8
III p	1,190.4	151.2	12.7	48.7	4.1	199.9	16.8

¹ Quarterly data are seasonally adjusted annual rates. ² Data of the Department of Commerce in the *Survey of Current Business*. Omits alcoholic beverages, food donated by Government agencies to schools and needy persons, and non-personal spending for food such as business purchases of meals, food furnished in mates of hospitals

and institutions, and food included with transportation tickets and camp fees.

³ Includes food consumed on farms where produced. ⁴ Includes food served to the military and employees of hospitals, prisons, and food service establishments.

p Preliminary.

Turkey Day Supplies Ample

Roast turkey, candied sweet potatoes, chilled cranberries, hot buttered peas, and pumpkin pie warm from the oven. Sound delicious? It is, as Americans all over the country will testify as they sit down to enjoy the traditional Thanksgiving feast on November 25.

It appears that the main ingredients of the familiar Thanksgiving meal should be in ample supply this season.

The November supply of turkeys may be up 10 to 15 percent from last year. Prices at retail may be about 10 cents per pound below year-earlier levels, making turkey an exceptionally good buy this season.

Sweet potato prices could be moderately below last year since the supply is 2 percent above a year ago. Cranberries are also in good supply with total 1976 production up 9 percent from last year. Retail fresh cranberry prices should be either the same or a little below last year's level.

Canned peas could be one of the better buys this month—the result of liberal supplies. Canned pumpkin supplies are also ample due to large carryover stocks.

for coffee, fish, and some other items. Expenditures for food eaten away from home rose at twice that pace, largely reflecting sharper price advances for this component of food expenditures.

Food expenditures as a percent of disposable income averaged 16.8 percent during the third quarter, the same as in the second quarter but down from 17.1 percent a year earlier. (Larry Summers and Anthony Gallo)

Third Quarter

Marketing Spreads Widen

The spread between what consumers pay and what farmers receive for a market basket of foods from U.S. farms increased about 2 percent from the second to the third quarter as retail prices failed to reflect drops in returns to farmers. Fresh fruits and meat products, including both beef and pork, accounted for most of the increase in farm-retail spreads. In contrast, spreads decreased for many other market basket foods as retail prices declined. Decreases in both spread and retail price were especially sharp for fresh vegetables and fats and oils products.

In the short run, rapidly changing farm prices often temporarily widen or narrow the spread. Changes in retail prices generally are less frequent and smaller. Retailers usually change prices only when necessary to move the item and maintain overall department mar-

gins. The resulting lag causes short-term alternative squeezes and widenings of farm-retail spreads. However, in the longer run, spreads are more cost oriented and generally reflect charges for assembling, processing, transporting, and distributing foods.

Compared with a year earlier, the spread between the retail cost and the farm value of the market basket in the third quarter of this year was about 6½ percent wider, while the retail cost for these foods was almost 1 percent lower. Spreads were substantially wider for meat and dairy products and moderately wider for eggs and bakery and cereal products. In contrast, spreads for fresh fruits and fats and oils products were sharply narrower despite rising costs of most marketing services.

Returns to farmers in the third quarter for foods in the market basket averaged out about 2 percent lower than

in the previous quarter. However, changes in farm values varied widely among product groups in the basket. Sharply lower returns for meat animals, fresh vegetables, sugar, and ingredients in bakery and cereal products were partially offset by significant increases for eggs, fresh fruits, and oilseed products and more moderate increases for dairy products.

Third quarter returns to farmers for market basket foods were around 10 percent lower than a year earlier. Major declines were recorded for practically all foods, except milk and eggs—both of which were sharply higher. The farmer's share of a dollar spent in retail food stores was 39 cents in the third quarter, down 2 cents from the previous quarter and 5 cents below a year ago. This is the first quarter since 1971 in which the farmer's share has dropped below 40 cents.

MARKET BASKET OF FARM FOODS¹

Period	Retail cost	Farm value	Farm-retail spread	Farmers' share
		1967=100		Percent
1965	96.0	99.2	93.9	40
1966	101.1	106.3	97.8	41
1967	100.0	100.0	100.0	39
1968	103.6	105.3	102.5	39
1969	109.1	114.8	105.5	41
1970	113.7	114.1	113.4	39
1971	115.7	114.4	116.5	38
1972	121.3	125.1	118.9	40
1973	142.3	167.2	126.5	46
1974	161.9	178.4	151.5	43
1975 ²	173.6	187.0	165.3	42
1974				
I	159.2	185.9	142.2	45
II	160.2	169.0	154.6	41
III	162.0	177.0	152.5	42
IV	166.3	181.4	156.7	42
1975 ²				
I	168.8	173.1	166.1	40
II	170.1	182.8	162.0	42
III	177.6	199.8	163.5	44
IV	177.9	192.3	168.9	42
1976 ²				
I	176.7	183.4	172.5	40
II	175.3	183.1	170.4	40
III	176.0	178.9	174.2	39
IV				

¹ Represents all foods originating on U.S. farms sold in retail food stores. The retail cost is a component of the Consumer Price Index published by the Bureau of Labor Statistics. The farm value is the payment to farmers for

equivalent quantities of food products less allowance for byproducts. The farm-retail spread is the difference between retail cost and farm value. ² Preliminary.

PRICE SPREADS FOR WHITE PAN BREAD

Item	1971	1975	January- August 1976	June- August 1976	August 1976
Cents per pound					
Baking, wholesaling & retailing	19.2	25.9	26.2	26.6	26.9
Flour milling . . . . .	.6	.6	.8	.9	.9
Other price spreads	1.5	2.7	2.3	2.2	2.2
Total farm-retail spread . . .	21.3	29.2	29.3	29.7	30.0
Farm value of wheat	2.6	4.5	4.2	3.9	3.5
Farm value of other ingredients . . . . .	.9	2.3	1.8	1.8	1.7
Total farm value	3.5	6.8	6.0	5.7	5.2
Retail price ^{1 2}	24.8	36.0	35.3	35.4	35.3

¹Bureau of Labor Statistics. ²Price spreads may not add to retail price due to independent rounding.

Spreads to Widen Further This Fall and Into Next Year

Prospects for lower hog prices this fall set the stage for further increases in marketing spreads as adjustments in retail prices lag decreases in returns to farmers. For 1976, marketing spreads for the market basket may average about 5 percent wider than in 1975. This is in sharp contrast to an increase of 9 percent for 1975 and a 20-percent increase for 1974.

It looks as though marketing spreads may gradually widen in the first half of 1977—reflecting higher costs of many items purchased by food marketing firms. Although these increases may contribute to a slight rise in food prices, the rate of increase in the spread is expected to be slower than in the first half of this year. The cost-push from rising wage rates of food marketing employees and from rising operating costs of these firms will contribute to widening spreads. But impact of higher costs on spreads may be limited if returns to farmers strengthen as expected next spring.

Costs of Marketing Continue Rising, But at Slower Rate

Prices of intermediate goods and services (packaging materials, energy, financing, and transporting) purchased by food marketing firms in the first three quarters of 1976 were up about 6 percent from a year earlier. This increase was considerably slower than the rate which prevailed during the same period last year. So far this year, price increases slowed for packaging materials, energy costs, and interest rates. But, the cost of shipping food by rail continued to rise at about the same

rate as last year.

The cost-push on marketing spreads is closely associated with the inflation rate in the general economy. If general-price-level increases continue to moderate next year as they have in recent months, then the cost of marketing food will also rise more slowly. However, higher operating costs of food marketing firms are expected to contribute to gradual, but persistent, increases in marketing spreads in the months ahead. In addition, recent and prospective wage agreements in food and allied industries will exert an upward pressure on costs and thus on farm-retail spreads. (Henry Badger)

Farm-Retail Price Spread for Bread Continues to Widen

Prices received by farmers for wheat declined sharply to less than \$3 per bushel in August and September, the lowest price since 1973. However, the retail price of bread, while under the record highs of early 1975, remains substantially higher than in the early 1970's. Does the lower price for wheat portend much lower prices for bread? Our data and appraisals suggest that it will not.

From 1971 to 1975, the average annual retail price of bread increased by about 45 percent. The retail price has fluctuated between 35.0 and 35.6 cents per pound since June 1975. Although bread prices so far this year have averaged slightly lower than in 1975, they are still more than 40 percent higher than in 1971.

The farm value of wheat and other ingredients in a pound loaf of bread increased from 3.5 cents during calendar 1971 to 6.8 cents in 1975, representing

about 30 percent of the 11.2-cent increase in the retail price over the period. The average farm value declined to 6 cents per loaf during the first 8 months of 1976 and was even lower by midyear. The farm value of ingredients averaged 5.7 cents per loaf in June-August and was only 5.2 cents in August.

The spread attributable to baking, wholesaling, and retailing a pound of bread has widened substantially from 19.2 cents per loaf in 1971 to 25.9 cents in 1975. This price spread has continued to widen during 1976, averaging 26.2 cents for the first 8 months, 26.6 cents for the June-August period, and 26.9 cents in August. The increase from 1971 to 1975 represented about 60 percent of the increase in the annual average retail price.

Most of the increase in the retail price of bread since 1971 can be traced to the widened price spread attributed to baking, wholesaling, and retailing a pound of bread. Higher wage rates, and costs of energy, packaging, and other materials account for this increase. Because of the sharp increase in this price spread, retail prices for bread are expected to remain much higher than in the early 1970's. (James Driscoll)

Symposium on Rural Transportation Scheduled

A 3-day symposium in New Orleans, La., Nov. 15-17, will explore the major issues confronting the rural transportation system.

The National Symposium on Transportation for Agriculture and Rural America will provide a forum for discussion of recent research findings on transportation and international trade, regulation and interstate transportation, transport and rural development, freight transport in rural areas, and energy and policy changes, and will offer a perspective on future research priorities.

Cosponsors include USDA's Economic Research Service and Cooperative State Research Service, the U.S. Department of Transportation, the State Agricultural Experiment Stations, the Upper Great Plains Transportation Institute, and the Farm Foundation.

The symposium will be held at the Braniff Place Hotel, 1500 Canal Street, New Orleans, La. 70140. All sessions are open and registration is free. Preregistration is suggested as seating is limited to about 250 persons. News media representatives are welcome.

To obtain a program or to register, contact John O. Gerald, Economic Research Service, U.S. Department of Agriculture, Room 250, 500 12th St., S.W., Washington, D.C. 20250, (202), 447-6363, as soon as possible.



POLICY DEVELOPMENTS

Loan Rates Boosted for Grains

The loan rates for 1976 and 1977-crop wheat, and feed grains were boosted on October 13.

The loan rate per bushel is up from \$1.50 to \$2.25 for wheat and from \$1.25 to \$1.50 for corn. The soybean loan rate remains at \$2.50 per bushel. The increases in loan rates per bushel for other feed grains, proportionately based on the feed value relative to corn, are as follows: sorghum, \$1.19 to \$1.43; barley, \$1.02 to \$1.22; oats, \$0.60 to \$0.72; rye, \$1.00 to \$1.20.

According to officials, the change in loan rates was made to give farmers timely assistance in the orderly marketing of this year's near-record crop of wheat, already in the bins, the projected record corn crop, and the large crops of other feed grains. The U.S. crops face stiff competitive pressure in export markets from Canada's huge wheat crop. In addition, during the peak of the grain harvest season, low water levels have limited the availability and at the same time increased the cost of barge transportation.

No Set-Aside Next Year

There will be no cropland set-aside in 1977—for the fourth consecutive year for the feed grain and wheat programs and the fifth for the upland cotton program.

This decision for continued unrestricted production is based on expanding domestic markets and strong export demand for cotton, soybeans, and grain, particularly for livestock feeding. Under the 1973 Farm Act, farmers have been free to plant crops without restrictive acreage allotments. About 40

million acres of cropland have been brought back into production since 1972. (Cecil Davison)

Emergency Hay Program "Beefed Up"

The Disaster Relief Act of 1974 was recently amended to permit USDA to pay 80 percent of the cost of transporting hay and silage from areas of plentiful supplies to farmers in areas declared eligible for Federal disaster relief. However, the payments may not exceed \$50 a ton for hay or \$12.50 per ton for silage. This

program amendment will be in effect until October 1, 1977. Because of its bulkiness and high cost of transportation relative to its value, hay is not usually shipped over long distances. However, more than the usual amount of hay may be moving on U.S. highways over the next couple of months. *

ERS Issues Benchmark Energy Estimates

To help State agencies develop energy conservation programs, ERS has estimated 1974 energy use in the agri-

ENERGY USE IN FARM PRODUCTION, 1974

Operation	Btu's ¹	Share of total ¹
	Trillion	Percent
Preharvest field operation	249.3	19.2
Irrigation	260.8	20.1
Harvest	209.5	16.1
Crop drying	105.3	8.1
Other crop operations	63.7	4.9
Livestock operations	160.6	12.4
Pickup and farm share of auto	248.7	19.2
Energy used directly in agriculture ²	1,297.8	100.0
Fertilizer manufacture	621.2	—
Pesticide manufacture	95.3	—
Energy used in chemicals manufacture	716.5	—
Total direct and embodied energy used in agriculture	2,014.2	—
Commodity		
Corn	499.3	24.8
Soybeans	126.9	6.3
Winter wheat	158.6	7.9
Alfalfa	121.5	6.0
Corn silage	77.1	3.8
Cotton	148.8	7.4
Grain sorghum	101.4	5.0
Fresh vegetables	23.1	1.1
Spring wheat	42.9	2.1
Other hay	79.5	3.9
Other crops	411.1	20.4
Energy used for crops	1,789.9	88.9
Beef cows	91.7	4.6
Milk cows	52.0	2.6
Hogs	37.1	1.8
Layers	11.8	.6
Broilers	20.0	1.0
Other livestock	11.7	.6
Energy used for livestock	224.3	11.1
Total energy used in agriculture ³	2,014.2	100.0

¹Totals may not add due to rounding. ²Energy in fuels and electricity. ³Direct and embodied energy.

cultural production sector by State, energy type, commodity, operation, and month of use.

These detailed estimates of use, the first ever made, can serve as the base for appraisals of future energy needs by State energy offices, legislators, policy workers, researchers, and conservation strategists in both the public and private sectors.

Below are some highlights of the ERS estimates for 1974:

—About 1.3 quads (quadrillion Btu's) of energy were used directly in U.S. agricultural production. Indirect use in the manufacture of the most important agricultural chemicals—fertilizers and pesticides—used an additional 0.7 quads.

—Of the direct energy use, pumping of irrigation water required more energy than any other major farm business operation. Preharvest field operations and use of the pickup truck and auto for farm business each accounted for one-fifth of the total. The energy consumed in the manufacture of fertilizer and pesticides was more than double that used directly in any single operation.

—Almost half of the energy demand in U.S. agricultural production was concentrated in seven States: Texas, Iowa, Nebraska, Illinois, California, Kansas, and Minnesota. In addition, energy needs were highly seasonal. Gasoline use peaked with crop harvest in late summer and early fall; diesel needs were greatest in the spring months during land preparation and planting; and natural gas and electricity were used in larger volumes during the summer months for powering irrigation pumps.

—Corn was the leading energy-using commodity produced, consuming nearly one-fourth of all energy used in farm production. (Tom Van Arsdall and Earle E. Gavett)

Meat Import Quotas Imposed

Formal quotas were imposed on meat imports in mid-October, marking the first time the United States has announced formal quotas under the 12-year-old meat import act. Formerly, voluntary restraints had been effective in limiting the level of imports.

Recently imposed quotas were set at 1,233 million pounds for fresh, chilled, frozen beef, veal, and mutton, the same level previously announced as the trigger point for imposing quotas. The recent import rate suggested that imports would have exceeded this trigger level. Meat imports, used mainly for ground beef and processed meat products, represent about 6 percent of U.S. consumption.

Increase in Cheese Import "Pricebreak"

USDA announced a 2-cent increase in

the "pricebreak" which controls the quota status of imports of Emmentaler cheese, Gruyere-process cheese, and the miscellaneous tariff category of "other" cheese. Effective October 19, the pricebreak increased from 98 cents to \$1 per pound f.o.b. country of origin.

The change was the result of specifications in the proclamation which established additional import quotas for the cheese cited, that the price-break shall be 7 cents above the CCC price, rounded to the nearest whole cent, and shall change whenever the CCC purchase price changes.

The Commodity Credit Corporation's (CCC) purchase price for Cheddar cheese, was raised from 90.5 cents to 92.5 cents per pound effective October 1. The increase in the Cheddar price resulted from the increase in the support price for manufacturing milk from \$8.13 to \$8.26 per hundredweight of milk. The pricebreak increase is expected to have only a negligible impact on the level of cheese imports.

TRIO OF AGRICULTURAL POLICY STUDIES RELEASED

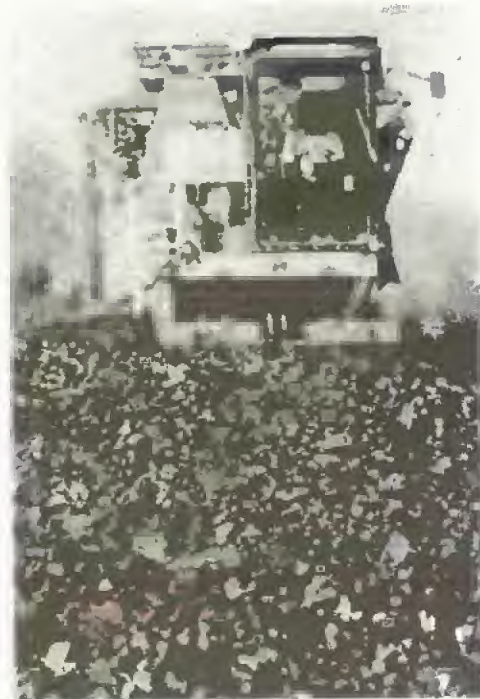
Three agricultural policy studies released recently by USDA's Economic Research Service clarify issues and provide information on possible alternatives for policymakers.

Target Price and Loan Rate Concepts for Agricultural Commodities (ERS-631) describes the concepts and mechanics of target prices and loans and how they provide the basis for varying support payments to producers inversely with the market price.

Impacts of Reverting to Basic Legislation When the Agriculture and Consumer Protection Act of 1973 and Rice Production Act of 1975 Expire (ERS-641) identifies the provisions and programs expiring without replacement and current programs to be continued. For those reverting, the applicable provisions and program specifications are developed and the impacts on the agricultural economy for 1978-80 are analyzed.

Use of Land Reserves To Control Agricultural Production (ERS-635) examines the effectiveness of land reserve programs in reducing crop acres and analyzes possible alternatives for improving the efficiency of land reserves.

Copies of these studies may be obtained by writing to ERS Publications Unit, Room 0054, South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Please include your zip code.



INPUTS

Prices paid by farmers for production inputs have remained fairly stable since spring. Gains from a year earlier in prices paid had slackened from almost 9 percent at the beginning of the year to under 5 percent by September. If prices paid hold fairly steady during the rest of the year, they would average about 7 to 8 percent above 1975 for all of 1976, a slower rise than during each of the past 3 years.

Sharply lower feeder livestock prices have helped offset higher prices of most other inputs. Feeder livestock prices have declined almost a fifth since their April high, and by September had dropped below year-earlier levels for the first time in over a year. Feeder cattle and pig prices were down sharply, reflecting slowing demand for placements by feedlots and reduced margins for hog feeding. Baby chick prices have held up because of strong demand for broiler chick placements.

Prices paid by farmers for fall-planted seeds in September were mixed. Wheat-seed prices were down 2 percent from a year earlier, seed oats averaged 21 percent lower, and seed barley was down 9 percent. However, prices for most clover and grass seeds were up, with the exception of ladino clover, timothy, orchardgrass, and red clover.

The volume of inputs used in farming is likely to be up around 2 percent this year, rebounding from a 2-percent decline in 1975. Total farm inputs used have remained nearly level since the late 1950's, although there has been a substitution of purchased items—machinery, pesticides, fertilizer, and feed—for nonpurchased inputs, such as operator and family labor and operator-owned farmland.

Among the major items, fertilizer use this year is expected to be up around a tenth following 1975's cutback. Live-stock purchases are also likely to be higher, reflecting the sharp expansion in feeder cattle placements earlier this year. Pesticide use will be up some in 1976. Machinery and labor inputs may hold close to 1975 levels this year; however, over the years, machinery has been substituted for labor. As a result, total labor inputs have declined by over half during the last two decades.

Feed Sales Mixed

Feed sales across the country have been generally steady with some improvement over the past few weeks. Pasture use has become quite limited with dry and then colder weather; however, sporadic rains helped a little. A good share of ingredient purchases by feed manufacturers have been on a hand-to-mouth basis.

Feedstuffs sales were mostly lower the first part of October. Hog feeds have tended to remain strong. Cattle feed sales have slackened seasonally as much home grain was utilized in feed rations. Dairy feed sales have generally held up over the past month. Poultry feed use has been steady, with turkey feed consumption remaining seasonally strong. Recent declines in feed grain prices are putting downward pressure on prices of other feeding ingredients.

Feed prices rose about 1 percent from August, although they were still below summer highs. Lower grain prices partially offset higher prices of other feed items. In September, all feed prices averaged around 6 percent above a year earlier. Although feed grain prices this season may average near year-earlier levels, soybeans especially will be in tight supply in 1976/77. With rising costs for milling and distribution, purchased feed prices will probably average higher in the coming feeding year. (Carl J. Vosloh, Jr.)

Interest Rates Trending Down

Interest rates on farm loans have generally moved slightly lower during 1976. The Production Credit Associations (PCA's) lowered their rates to about 8.25 percent by midyear, down from about 8.6 percent at the end of 1975 and 9.80 percent at the end of 1974. These rates reflect money costs in the central money markets because PCA's acquire loan funds through the sale of debentures by the Federal Intermediate Credit Banks.

Rates charged by rural banks have shown less fluctuation since they rose to 9 percent at the end of 1974. The Farmers Home Administration (FmHA), which provides loan funds to farmers unable to receive adequate coverage

Reference Bulletin Now Available From ERS

ERS recently released *Changes in Farm Production and Efficiency: A Special Issue Featuring Historical Series*.

The publication contains all historical data for the major statistical series on farm production, production inputs, and efficiency.

Copies of Statistical Bulletin No. 561 may be obtained by writing to ERS Publications Unit, Room 0054, South Building, USDA, Washington, D.C. 20250. Please include your zip code.

from other lenders, now charges rates similar to market rates for most of its nonreal estate loans. However, rates for FmHA emergency loans and real estate loans are less than market rates.

Rates charged by the Federal Land Banks (FLB's) and life insurance companies on farm real estate loans declined slightly thus far in 1976, as did loans provided by sellers of farms through land contracts and mortgages, another major source of real estate credit. Survey data as of March 1976 indicated that rates for seller-financed loans were 1 to 2 percentage points lower than those charged by FLB's and life insurance companies. (Philip Allen and Larry Walker)

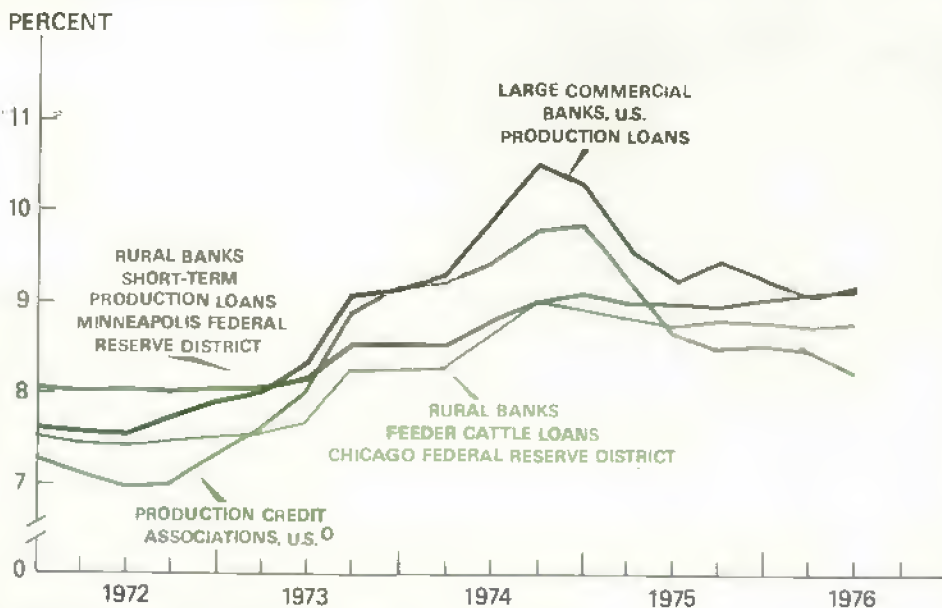
Farm Machinery Sales Continue High, Except for Hay Balers

Retail unit sales were brisk for most

types of farm machinery this year through August. Sales of wheel tractors and combines were both up only around 1 percent from a year earlier, but forage harvester sales rose 10 percent. A sharp decline in baler sales in June reversed the upward trend of the first 5 months of 1976. As a result, January-August sales of hay balers were more than a tenth below comparable 1975 levels. Meanwhile, manufacturers produced over 115,000 farm-type wheel tractors this year through July, around 4 percent more than a year earlier. Shipments during that period were over 116,000 units, nearly 2 percent greater than a year ago. Total farm machinery production through July of this year slightly exceeded the average rate for all of 1975. Manufacturers' and dealers' midyear inventories of tractors, combines, and hay balers were above year-earlier levels, although stocks of forage harvesters were lower.

In September, farmers were paying around 2 percent more for tractors and other farm machinery than this spring and about 10 percent more than last September. However, price increases have slowed considerably this year compared with increases of 20 to 25 percent during 1975. Nonetheless, increases in wholesale prices for agricultural equipment, although slower than in 1974 and 1975, may push average machinery prices paid by farmers this year to levels 9 to 15 percent above 1975. If there are further reductions in the inflation rate throughout the economy, price increases for agricultural equipment also should continue to slow. (Duane Paul)

INTEREST RATES EASE*



RATES ARE AS OF THE FIRST WEEK OF THE QUARTER.
* NON-REAL ESTATE NEW LOANS (FARM). ○ INCLUDING SERVICE FEE.



WORLD AGRICULTURE AND TRADE

The world grain supply is expanding in 1976/77 despite scattered weather problems that developed during the summer. World grain production (wheat, milled rice, and coarse grains) in 1976/77 is estimated about 5 or 6 percent above the 1975/76 harvest of 1.22 billion metric tons. After 2 years of poor crops, this production level about matches the 15-year trend. However, little improvement in per capita grain supplies is expected in many of the less developed countries.

The increase in grain consumption in 1976/77 is expected to be well below trend and only about three-fourths of the increase in production. Thus, significant growth in grain stocks is indicated. Feed-livestock price ratios have been improving but are not sufficient to generate the record feed usage of 1972/73 and 1973/74. In addition, some governments and private concerns have made policy decisions to build up stocks, thus bidding supplies away from food and feed use.

World grain stocks at the end of the 1976/77 marketing year may be up 20 to 25 percent from the estimated 124-million-ton carryin level. While the bulk of the stock increase will occur in the United States and the Soviet Union, accumulation is also expected in Canada, Japan, some parts of Western Europe, and the developing countries outside Asia. World wheat stocks are expected to increase by almost one-half, coarse grain stocks may increase only slightly, and rice stocks could fall about a fourth if the rice crop is off as much

as is now indicated.

The projected carryout represents 40 to 50 days of consumption, compared with the 1975/76 low of around 35 days and earlier stock levels as high as 76 days.

Reduced World Grain Trade Likely

Generally good grain and other food crops in most regions will lessen the overall demand for imported grain. Soviet grain imports are forecast to fall 13 million tons, and declines in import demand are expected in India and other developing countries. These decreases will offset the substantial growth in the import needs of the drought-struck European countries.

U.S. 1976/77 grain export volume is expected to be down around 5 percent from the 1975/76 record high of 83 million tons, with declines likely for both feed grains and wheat. Currently, U.S. concessional grain exports—shipments made under P.L. 480 programs—are programmed to increase in 1976/77, but will continue well below the highs of the 1960's and early 1970's when U.S. carry-over stocks were large.

Commercial grain exports will face stiffer competition. Two of our largest competitors, Canada and Argentina, have significantly expanded production this year. In addition, Turkey and Brazil have grain available for export.

Cotton Use To Exceed Production

World textile activity in the first half of 1976 rose from its early-season doldrums to boost 1975/76 cotton consumption to record highs. In 1976/77, consumption is expected to continue

near last season's 63 million bales. But potential gains will be limited by high cotton prices, competition from man-made fibers, and tight supplies relative to demand despite the larger crop.

Although 1976/77 cotton production may be up about 5 million bales to some 61 million bales, it would still fall short of consumption. As a result, cotton stocks worldwide, which were drawn down nearly 8 million bales in 1975/76, will be reduced further in the current marketing year.

Oilseed Production Outlook Mixed

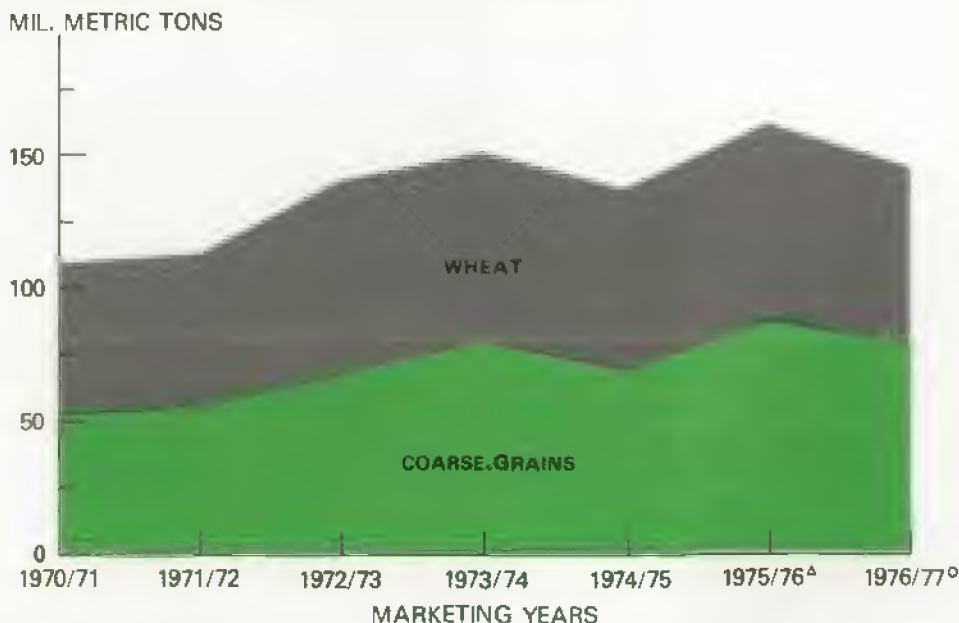
After expanding sharply last season, oilseed production prospects for 1976/77 are mixed. The U.S. soybean crop projected at 34 million metric tons would be down about a fifth from 1975/76. Canadian rapeseed production may be the lowest since 1969, and another very poor peanut crop is expected in Nigeria.

On the other hand, Brazil is expected to harvest another record soybean crop of about 13½ million tons, up almost a fifth from last year. Also, U.S. cottonseed production is up nearly a fourth, and Malaysia will produce and export record quantities of palm oil.

Economic Recovery Proceeding Abroad

Economic recovery is continuing in the developed countries although at a lower rate than previously expected. Real economic growth in Organization for Economic Cooperation and Development (OECD) member countries is expected to average about 5 percent from mid-1976 to mid-1977, slightly lower than a year earlier. (OECD count-

LOWER WORLD GRAIN EXPORTS LIKELY



Δ PRELIMINARY. ○ PROJECTED.

ries primarily include Japan and the nations of Western Europe, North America, and Oceania.) Policymakers are pursuing a cautious course—trying to manage a sustained recovery and reduce unemployment without rekindling inflation.

Growth in private consumption has led the recovery, but it is endangered by inflation. During the first 6 months of 1976, consumer prices in OECD countries rose at almost a 7-percent annual rate. If high inflation continues, consumer confidence could be undermined.

The United Kingdom continues to have serious economic problems. Inflation is running at a 12-percent annual rate in 1976, following a 26-percent inflation rate in 1975. The severe drought has boosted the price of some foods and increased agricultural imports. Thus, continued inflation and a worsening trade deficit are indicated. The vital U.K. export industries have not recovered sufficiently to improve Britain's balance-of-payments position. On October 25, the British pound dropped to an all-time low of \$1.57 on foreign exchange markets.

Trade Position of Developing Countries Improving

The economies of the developing

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countries are being aided by recovery in the developed countries and by increased domestic agricultural output. Exports of the developing countries have expanded, and prices of major raw materials have recovered from last year's slump.

Tight international monetary reserves remain a serious problem for developing countries that do not export oil, but their reserves situation has improved markedly since mid-1975 when the ratio of reserves to imports fell to 23 percent—the lowest figure in over 10 years.

Trade improvements have also bolstered the financial situation of the non-oil-exporting developing countries. Their 1976 current account deficit is estimated a fifth lower than in 1975.

Prospects for economic growth are optimistic for the largest developing markets for U.S. farm products. Korea and Taiwan are heavily trade-oriented, and foreign demand for their manu-

factured goods has strengthened. India and Egypt are benefiting from increased agricultural production as well as from aid and investment inflows.

The agricultural sector remains the key to economic growth in many developing countries. Production of grains, vegetable oils, other foods, and industrial raw material is important for foreign exchange earnings from exports as well as for domestic consumption. However, the developing countries still require heavy food imports. The OECD Secretariat estimates that 10 percent of cereals consumed in the developing countries is grown in the developed countries, primarily the United States, Canada, Australia, and France.

USSR Update

Soviet officials disclosed in late October that more than 216 million metric tons of grain had already been harvested and that the final figure would probably match and possibly exceed the record 1973 crop of 222 million tons.

A recent flurry of Soviet purchases of U.S. corn and wheat for October-September 1976/77 shipment brought total sales as of October 19 for the first year of the 5-year grain Agreement to 6.7 million metric tons—4.1 million of corn and 2.6 million of wheat. Although not under the sales agreement, around 1.5 million tons of soybeans had also been purchased by the USSR.

The U.S.-USSR Grain Supply Agreement calls for the USSR to purchase no less than 6 million metric tons of U.S. corn and wheat in approximately equal quantities for shipment each year (October-September) for a 5-year period beginning October 1, 1976. And up to 8 million metric tons of corn and wheat can be purchased each year under the Agreement without consultation between the two governments if the U.S. supply of total grain is more than 225 million metric tons. Since the total grain supply for 1976/77 may run about 50 million tons higher, Soviet purchases could run up to 8 million tons under the Agreement. (Sally E. Breedlove)

U.S. AGRICULTURAL EXPORTS TO THE USSR¹

Commodity	Fiscal Years				
	1972	1973	1974	1975	1976 ²
	\$ Mil.				
Grains and preparations	148	802	563	374	1,926
Wheat	1	566	219	194	612
Feed grains	147	220	292	172	1,294
Corn	107	209	284	172	1,287
Other	0	16	52	8	20
Oilseeds and products	0	139	10	.5	63
Soybeans	0	134	7	0	63
Other agricultural products	10	13	12	35	12
Total	158	954	585	410	2,001

	Thou. metric tons				
Wheat	3	9,494	2,725	978	4,002
Feed grains	2,958	3,961	4,597	1,261	10,304
Corn	1,991	3,718	4,518	1,261	10,288
Rye	0	41	25	1	0
Rice	0	0	0	10	63
Total grains	2,961	13,496	7,347	2,250	14,369
Soybeans	0	924	25	0	324

¹ Including transshipments through Canada, the Netherlands, and Belgium.
² Preliminary.

The Burgeoning Japanese Market

In the past two decades, the Japanese market for U.S. agricultural exports has grown eightfold—from \$372 million in fiscal 1956 to \$3.3 billion in fiscal 1976. During the period, Japan's share of total U.S. agricultural exports rose from 11 percent to 15 percent. Japan is the largest single-country market for U.S. farm exports and the largest net importer of food in the world, relying on imports for over half of its food, of which the United States supplies more than one-third.



FARM INCOME TRENDS AND DEVELOPMENTS

by William C. Paddock, Charles W. Cobb and Robert R. Miller
National Economic Analysis Division, Economic Research Service

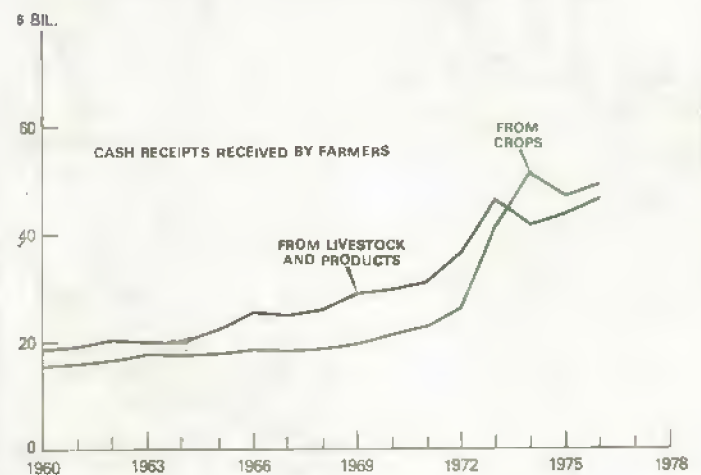
Crops will likely continue as the top moneymaker for farmers in 1976 . . . as they have for the past 2 years. Prior to that, and stretching all the way back to the 1920's, livestock and livestock products were in the lead income position. In recent years, farmers have fed a smaller proportion of their grain production. Many farmers have made more income by marketing their grain directly rather than through livestock.

Cash receipts from crop marketings this year may be up slightly from 1975's \$46½ billion. The volume of crop marketings are likely to be up slightly in 1976 as larger carryover stocks combine with near-record crop output. Livestock receipts may rise around 8 to 10 percent in 1976, primarily due to larger output. Stronger demand will help to maintain average livestock prices near 1975 levels.

During the past decade, farmers' cash receipts from wheat, soybeans, and corn have shown the most rapid gains. Together, sales of grains and oilseeds now account for almost \$29 billion, up from less than \$8 billion in the mid-1960's. This resulted primarily from the large boost in export demand in the early 1970's and the corresponding rise in market prices.

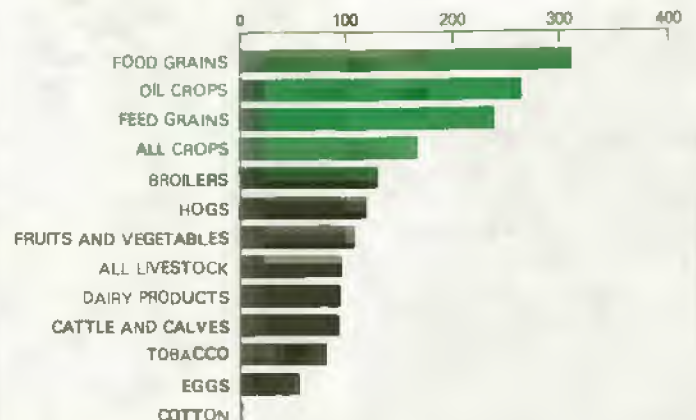
Among livestock items, broilers and hogs have shown the largest proportional gains—with cash receipts for both more than doubling during the 1965-75 decade. Broiler production has been expanding during this period to meet growing consumer demand. The ready acceptance of more plentiful and lower-priced chicken by consumers helped spur the growth in the industry.

CROPS STILL LEADING SOURCE OF FARM INCOME



GRAIN AND SOYBEAN RECEIPTS RISE MOST RAPIDLY

PERCENT CHANGE IN CASH RECEIPTS, 1965 TO 1975



BROILERS INCLUDE FARM CHICKENS COTTON INCLUDES LINT AND SEED

Cattle and calves provide about a fifth of all cash receipts from farm marketings, keeping them in the top spot as a source of income to U.S. farmers, a position they have held since World War II. For the 20 years prior to that, dairy products were the leading source of farm income and in the 1910's and early 1920's cotton was frequently No. 1.

Dairy products have lost their No. 2 ranking to feed grains in recent years. In 1975, feed grain marketings accounted for around 14 percent of total cash receipts. At the same time, food grains and oil crops have moved up in importance and each now represents around 9 percent of total cash receipts.

From 1965 to 1975, most livestock and products, along with cotton and tobacco, lost ground relative to corn, wheat, and soybeans.

CASH RECEIPTS RECEIVED BY FARMERS

Commodity	1965		1975	
	Cash receipts	Share of total	Cash receipts	Share of total
	\$ Mil.	Pct	\$ Mil.	Pct.
Cattle and calves	8,942	22.7	17,482	19.5
Feed grains	3,693	9.4	12,513	14.0
Dairy products	5,038	12.8	9,866	11.0
Food grains	2,042	5.2	8,347	9.3
Hogs	3,607	9.2	7,948	8.9
Oil crops	2,173	5.5	7,920	8.8
Vegetables	2,618	6.7	5,370	6.0
Fruits and nuts	1,650	4.2	3,548	4.0
Broilers and farm chickens ..	1,304	3.3	3,005	3.4
Eggs	1,785	4.5	2,812	3.1
Cotton (lint and seed)	2,330	5.9	2,372	2.6
Tobacco	1,186	3.0	2,155	2.4
Other	2,997	7.6	6,225	7.0
Total	39,365	100.0	89,563	100.0

Farmers are expected to sell agricultural products this year worth about 4 to 6 percent more than 1975's \$89¼ billion. Farm income has risen steadily over the years with farmers' gross income doubling during the last decade. However, most of this rise occurred in just 2 years—1972 and 1973—when grain prices and receipts were expanding sharply.

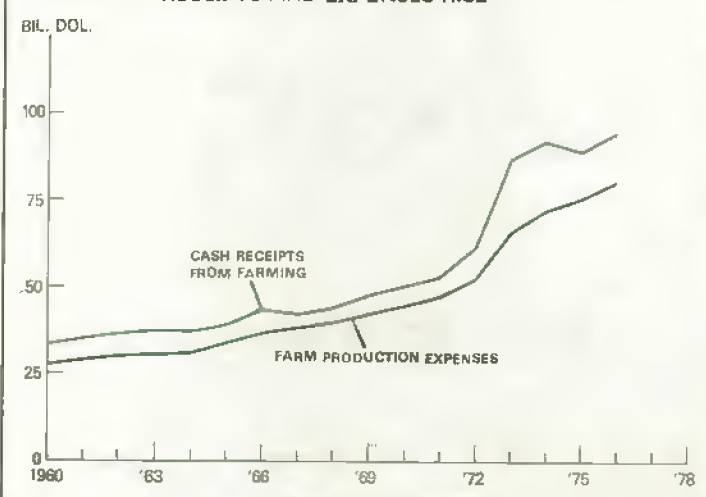
At the same time, production expenses have been rising at an unrelenting pace. In 1976, production expenses are expected to increase some 5 to 7 percent from 1975, thus offsetting most of the gain in gross income. Over the 1965-75 decade, farm production expenses have more than doubled—rising from around \$34 billion to over \$75 billion. Nearly all of the increase was due to higher prices paid by farmers for production inputs—which increased by 99 percent in the past 10 years.

Although total input use increased only a little, there has been a shift in the input mix being used to produce food and fiber as the trend toward more purchased inputs continues. Although labor has declined, more capital, machinery, fertilizer, and pesticides are now used in farming. Cropland used for crops trended down until the early 1960's. Then, after holding steady, cropland increased during 1973-75 by about 30 million acres.

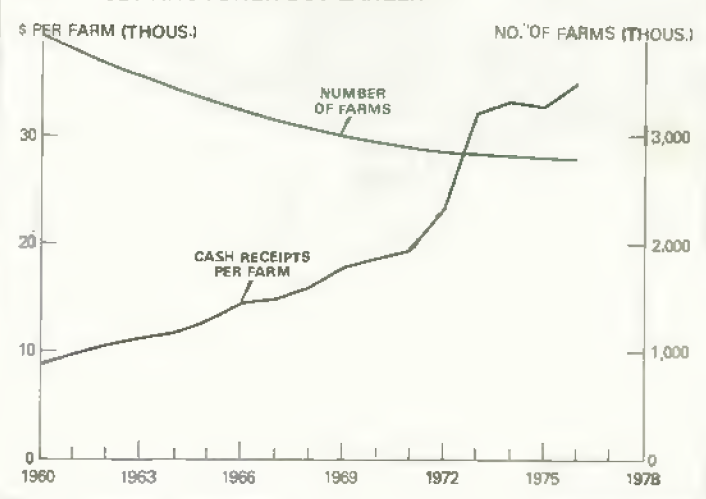
While the number of farms in the United States has been declining steadily over the years, gross receipts per farm have risen sharply. This year the average farm will sell agricultural products worth close to \$34,000, up from about \$13,000 a decade earlier. After dipping in 1975, cash receipts per farm are likely to be up again this year.

Beginning 1976, there were around 2.8 million farms in the United States, down from about 3.3 million in the mid-1960's. However, the rate of decline has slowed materially in recent years. During the 1960's the number of farms dropped about a million, or some 3 percent annually. On the other hand, the rate of decline has averaged about 1 percent a year during the first half of the 1970's.

FARM CASH RECEIPTS AND EXPENSES RISE



FARMS GETTING FEWER BUT LARGER



Farm people derive income from other sources than just the farming enterprise. These nonfarm sources include such items as wages and salaries from other work, interest, social security, and dividends. Personal income of farm people from all sources takes into account these nonfarm as well as farm earnings.

Personal income of farm people last year was split almost equally between farm and nonfarm sources—totaling just over \$5,100 per person, up 5 percent from 1974. Although equal to 1973's previous high, some 60 percent of personal income that year was derived from farm sources.

From 1967 through 1972, farmers earned more than half of their income from nonfarm sources. With the sharp improvement in prices for farm products during 1973 and 1974, farmers again obtained more of their income from the farm business, although the amount of non-farm income continued to expand.

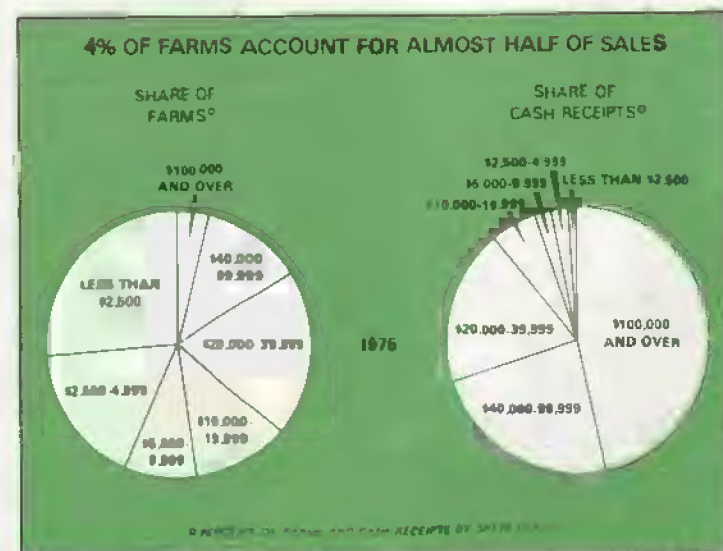
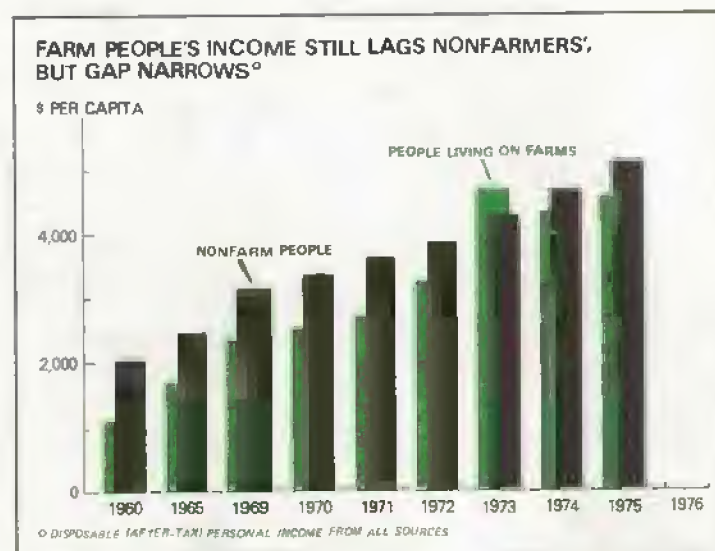
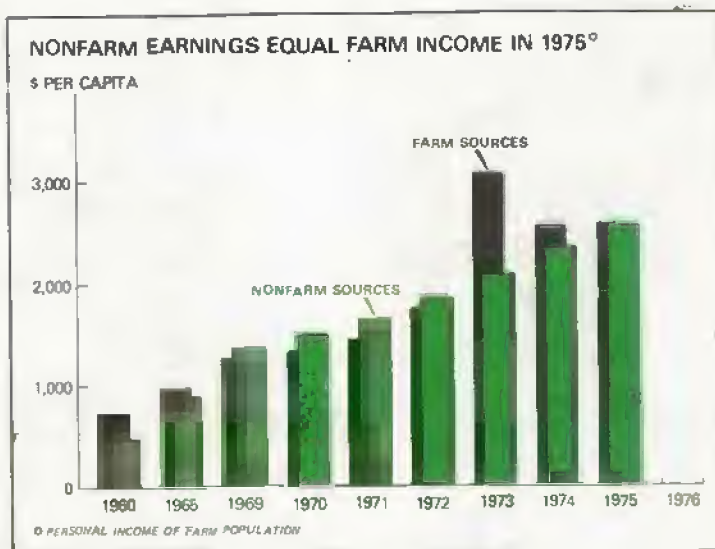
It now appears that in 1976 farm people will likely again earn more from off-farm sources than from farm sources as occurred during the 1967-72 period.

The income position of people living on farms relative to their non-farm counterparts has changed significantly since 1960. Per capita disposable (after-tax) personal income from all sources of farm residents, at almost \$4,600 last year, was nearly 90 percent of the income available to the average nonfarm person. In 1960, farm people earned only 54 percent as much as those living off farms. This difference narrowed sharply during the 1960's and so far in the 1970's. In 1973, with the sharp upturn in income from farming, estimated earnings of farm people were actually more than for nonfarm persons for the first time since 1934 when such data was first reported. In 1974 and 1975, income to farm residents did not keep pace with the general advance in overall disposable incomes. Hence, the income ratio of farm to nonfarm people slipped to 93 percent in 1974 and 90 percent last year. In 1976, per capita incomes of farmers may slip a bit further behind earnings of nonfarm residents.

Rapid changes are taking place in farming. As a result, total farm income aggregates and averages tend to obscure these changes. Although declining in number, farms are becoming larger by absorbing land of farms going out of business. As a result, large commercial farms are increasing in number. Problems of these commercial farms differ from those of smaller farms. Many small farms are part-time operations with much of the family income coming from off-farm employment. Trends toward fewer farms and the accompanying changes taking place in farm size are emphasized by the distribution of farms and their income characteristics classified according to the value of sales of the unit.

Changes in prices received by farmers have had an important impact on cash receipts from farm marketings and hence on the distribution of farms and farm income by value of sales classes. Consequently, a farm grossing \$50,000 in 1960 would be equivalent to around \$100,000 in 1975, with about the same volume of marketings. The reason is farm prices received have about doubled in this period.

The number of farms with product sales of \$20,000 and over have been increasing in absolute numbers as well as in proportion to the total farms in this country. These size farms have also been accounting for an increasing share of total cash receipts. Farms with \$20,000 or more in sales represented 36 percent of all farms in 1975, but they accounted for almost 90 percent of total cash receipts. Back



in 1960, farms of this size were 9 percent of all farms and their sales were about half of total cash receipts.

Those farms with sales in excess of \$100,000 have been the fastest growing in number and importance. They increased nearly fivefold from 23,000 in 1960 to 110,000 in 1975. In the early 1960's, farms of this size accounted for less than 1 percent of all farms and had about 17 percent of the cash receipts. By 1975, these farms represented 4 percent of all farms but accounted for 47 percent of total sales.

Not only were these \$100,000 farms increasing rapidly in number and relative importance with respect to resources, production, sales and income, they were also growing in size. Cash receipts from farm marketings in this group averaged about \$385,000 per farm in 1975, up 46 percent from 1960. Average production expenses rose 40 percent during this period to \$330,000 in 1975. Realized net income

per farm for farms of this size rose from about \$31,000 in 1960 to over \$95,000 in 1973. However, with gross income about level since 1973, rising production expenses cut net income per farm to around \$63,000 by 1975.

At the other end of the spectrum, farms with marketings valued at less than \$20,000 have been declining rapidly to the point where they now represent only about a tenth of total farm marketings. Still, over a fourth of the farms in this country reported sales of under \$2,500 in 1975, while accounting for less than 1 percent of total sales. However, many of these small farms are receiving most of their income from off-farm sources.

NUMBER OF FARMS AND CASH RECEIPTS, BY SALES CLASSES

Farms with annual sales of	1960				1975			
	Farms		Cash receipts ¹		Farms		Cash receipts ¹	
	Number	Share of total	Amount	Share of total	Number	Share of total	Amount	Share of total
	Thou.	Pct.	\$ Bil.	Pct.	Thou.	Pct.	\$ Bil.	Pct.
\$100,000 and over	23	0.6	6.1	17.3	110	3.9	42.8	46.8
\$40,000 to 99,999	90	2.3	5.5	15.5	339	12.1	21.6	23.7
\$20,000 to 39,999	227	5.7	6.5	18.5	565	20.1	17.1	18.8
\$10,000 to 19,999	497	12.5	7.4	21.1	326	11.6	5.1	5.6
\$5,000 to 9,999	660	16.7	5.2	14.7	254	9.1	2.0	2.2
\$2,500 to 4,999	617	15.6	2.5	7.1	485	17.3	1.9	2.0
Less than \$2,500	1,849	46.6	2.0	5.8	729	25.9	.8	.9
All farms ²	3,963	100.0	35.2	100.0	2,808	100.0	91.4	100.0

¹ Includes government payments and other farm income; excludes realized nonmoney income.

² Totals may not add due to rounding.

Income from off-farm sources is a supplement to farm earnings for families on all size farms. In fact, on the smallest size farms, income from farming tends to supplement off-farm income.

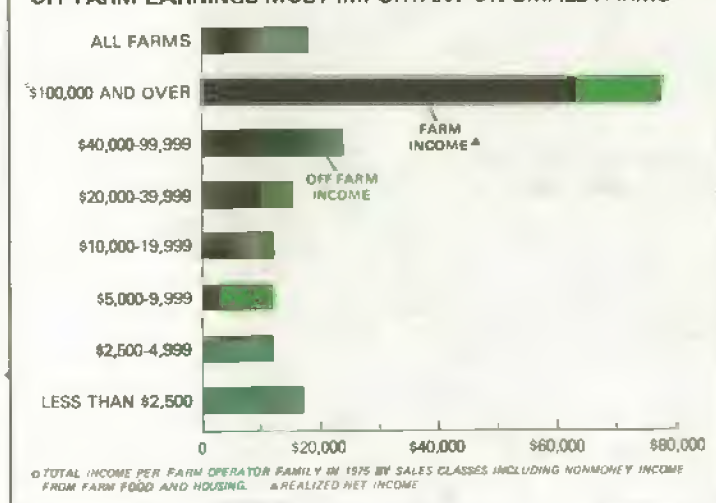
In 1975, off-farm income ranged from a low of \$5,577 per farm operator family with farm sales from \$20,000 to \$39,999 to a high of \$16,364 for farms with sales under \$2,500—averaging \$10,129 for all farms. Families operating farms with sales of \$100,000 and over earned \$12,418 in off-farm income in 1975, but that represented only 16 percent of total income from all sources. As farming operations decline in size, families depend more heavily on off-farm sources of income. Around 94 percent of total income on farms with agricultural marketings below \$2,500 come from nonfarm sources.

Although the share of income coming from off-farm sources for all farms has increased gradually to around 56 percent in 1975, off-farm income has been providing a rapidly increasing share on many farms. This has been particularly evident on farms with annual sales of \$2,500 to \$20,000. Even on farms selling \$40,000 to \$99,000 in agricultural produce, off-farm income last year provided over a fourth of total income. Only on the largest farms has off-farm income been declining as a portion of total income, although even on those farms off-farm income has been rising in total dollars.

Aggregates and averages of farm income and production expenses for all farms from the very small to the very large cannot provide answers to many of the questions about rapid changes occurring in the farming industry today. Included are farms on which farming is not a major source of income, but on which off-farm income provides most family income.

Estimates of numbers of farms and farm income by value-of-sales classes supplement data provided by aggregate totals or averages.

OFF-FARM EARNINGS MOST IMPORTANT ON SMALL FARMS²



However, even class averages are sometimes misleading and should be used with caution. Sales class data does not provide information about individual farms. The idea every farm in a specified group experiences income and expenses that change along with the indicated group average is not intended. Income and expenses on an individual farm may be above or below the group average. Also, farms may move up or down into another sales class group from 1 year to the next.

Changes in prices received by farmers have an important influence on cash receipts from farm marketings and hence on the distributions of farms and farm income by value of sales classes. This has been particularly noticeable since 1972 when farm prices rose sharply, causing large increases in receipts from farm marketings.

INCOME PER FARM OPERATOR FAMILY BY MAJOR SOURCE AND BY VALUE OF SALES CLASSES

Year	Farms with sales								All farms
	\$100,000 and over	\$40,000 to \$99,999	\$20,000 to \$39,999	\$10,000 to \$19,999	\$5,000 to \$9,999	\$2,500 to \$4,999	Less than \$2,500		
	Dollars								
Realized net Income ¹									
1960	30,826	13,812	8,080	5,095	3,212	1,931	806	2,806	
1961	31,730	14,588	8,431	5,317	3,339	1,997	852	3,038	
1962	30,276	14,321	8,268	5,258	3,240	1,918	844	3,099	
1963	29,516	14,018	8,045	5,139	3,109	1,818	827	3,119	
1964	31,594	12,562	8,435	5,443	3,250	1,886	875	3,272	
1965	33,084	15,136	8,578	5,527	3,211	1,830	899	3,533	
1966	44,581	18,127	10,134	6,045	3,361	1,895	936	4,312	
1967	30,094	15,147	8,823	5,328	3,006	1,678	872	3,695	
1968	32,178	15,726	9,353	5,532	3,106	1,695	894	3,972	
1969	42,136	17,547	10,561	5,961	3,300	1,722	927	4,733	
1970	40,855	17,080	10,312	5,814	3,220	1,668	909	4,788	
1971	35,966	15,654	9,558	5,358	2,976	1,535	865	4,550	
1972	54,729	18,829	11,133	6,246	3,472	1,819	893	6,204	
1973	95,406	23,146	12,810	6,979	3,844	2,017	1,060	10,529	
1974	84,300	20,401	11,332	6,065	3,365	1,782	1,026	9,826	
1975	63,236	17,558	10,116	5,451	3,064	1,606	1,004	8,079	
Off-farm income									
1960	N.A.	N.A.	1,678	1,258	1,574	1,848	2,732	2,140	
1961	N.A.	N.A.	1,757	1,414	1,838	2,113	3,039	2,396	
1962	N.A.	N.A.	1,894	1,604	2,141	2,402	3,377	2,683	
1963	N.A.	N.A.	2,169	1,870	2,542	2,784	3,845	3,085	
1964	N.A.	N.A.	2,287	2,068	2,831	3,068	4,180	3,366	
1965	7,278	3,680	2,507	2,319	3,232	3,471	4,713	3,792	
1966	7,209	3,699	2,694	2,717	3,723	4,079	5,312	4,262	
1967	7,140	3,662	2,809	3,044	4,109	4,560	5,661	4,584	
1968	7,400	3,799	3,023	3,446	4,592	5,137	6,212	5,036	
1969	7,490	3,869	3,215	3,860	5,094	5,752	6,963	5,539	
1970	7,618	3,949	3,359	4,187	5,448	6,184	7,433	5,874	
1971	8,397	4,367	3,691	4,585	5,955	6,758	8,291	6,456	
1972	9,071	4,734	4,022	5,005	6,511	7,400	9,699	7,160	
1973	9,906	5,191	4,499	5,716	7,556	8,664	13,401	8,335	
1974	11,211	5,886	5,091	6,469	8,550	9,824	15,431	9,329	
1975	12,418	6,501	5,577	7,031	9,260	10,612	16,364	10,129	
Total income including nonmoney income from farm food and housing ¹									
1960	N.A.	N.A.	9,758	6,353	4,786	3,779	3,538	4,946	
1961	N.A.	N.A.	10,188	6,731	5,177	4,110	3,891	5,434	
1962	N.A.	N.A.	10,162	6,862	5,381	4,320	4,221	5,782	
1963	N.A.	N.A.	10,214	7,009	5,651	4,600	4,672	6,204	
1964	N.A.	N.A.	10,722	7,501	6,081	4,954	5,055	6,638	
1965	40,362	18,816	11,085	7,846	6,443	5,301	5,612	7,325	
1966	51,790	21,826	12,828	8,762	7,084	5,974	6,248	8,574	
1967	37,234	18,809	11,632	8,372	7,115	6,238	6,533	8,279	
1968	39,578	19,525	12,376	8,978	7,698	6,832	7,106	9,008	
1969	49,626	21,416	13,776	9,821	8,394	7,474	7,890	10,272	
1970	48,473	21,029	13,671	10,001	8,668	7,852	8,342	10,662	
1971	44,363	20,021	13,249	9,943	8,931	8,293	9,156	11,006	
1972	63,800	23,563	15,155	11,251	9,983	9,219	10,682	13,364	
1973	105,312	28,337	17,309	12,695	11,400	10,681	14,481	18,864	
1974	96,511	26,287	16,423	12,534	11,915	11,586	16,457	19,156	
1975	75,654	24,059	15,693	12,482	12,324	12,218	17,368	18,208	

¹ Includes government payments.
N.A. Not available.

SHARE OF TOTAL INCOME FROM OFF-FARM SOURCES

Farms with sales of	Share of total income from off-farm sources		
	1965	1970	1975
	pct.		
\$100,000 and over	18	16	16
\$ 40,000 - 99,999	20	19	27
\$ 20,000 - 39,999	23	25	36
\$ 10,000 - 19,999	30	42	56
\$ 5,000 - 9,999	50	63	75
\$ 2,500 - 4,999	65	79	87
\$ 2,500 and under	84	89	94
All farms	52	55	56

FARM INCOME CONCEPTS: THEIR MEANING AND MEASUREMENT

The USDA publishes regularly a comprehensive set of income estimates relating to agriculture which have been developed over more than a third of a century. This section describes briefly the principal concepts involved in the farm income estimates and how they are measured.

Basically, the estimates center around two major concepts of farm income.

One views agriculture as a business or industry, measuring gross farm income, farm production expenses, and finally, the net return to farm operators for their farm work (including that of their families) and for the capital invested in their farms and equipment. The most commonly used measure of the net return from agriculture is—*Realized Net Income of Farm Operators from Farming*.

The other major concept relates to the people who live on farms and the incomes they have available for purchasing the goods and services in the American standard of living. This concept recognizes that there are people living on farms, such as farm laborers and their families, in addition to farm-operator families, and also that farm people receive a significant part of their income from nonfarm sources as well as from the farm. The series appropriate to this concept is—*Personal Income of the Farm Population from All Sources*.

These two major series are derived from the various components, or building blocks, of the farm income estimates. Generally, the individual components are important series in their own right, providing insight into the major economic forces affecting the over-all farm income situation.

The components used in calculating the realized net and total net income from farming for 1975 are shown in the following table:

Income from Farming	1975 \$BIL.
Cash receipts from farm marketings	89.6
Government payments to farmers	.8
Other farm income	1.0
Realized nonmoney income	6.8
Realized gross income	98.2
Farm production expenses	75.5
Farm operators' realized net income	22.7
Net change in farm inventories	2.9
Farm operators' total net income	25.6

Realized gross farm income includes four principal components:

1. *Cash receipts from farm marketings* of farm products represent gross receipts from commercial market sales as well as loans (net of redemptions) made or guaranteed by Commodity Credit Corporation (CCC) and purchases under price support programs.
2. *Government payments to farmers* are those made directly to farmers in connection with farm programs.
3. *Nonmoney income* includes farm products consumed directly in farm households and the value of housing provided by farm dwellings.
4. *Other farm income* from recreation and machine hire and custom work.

Farm production expenses comprise the aggregate costs incurred in farm production. They include current farm operating expenses for such items as wages paid to hired labor (in cash and in kind) and outlays for repairs of equipment and operation of the farm, as well as purchases of feed, seed, and livestock. Overhead-type costs include charges for depreciation and other capital consumption, taxes on farm property, and interest on the farm mortgage debt.

Expenditures on new buildings, motor vehicles and other capital equipment are not included as a production cost. Instead, production expenses include an allowance for annual depreciation and other capital consumption.

Estimates of depreciation are based on replacement cost, which is the amount necessary at current prices to replace buildings and equipment used up during the year. Thus, after a period of substantial price increase, as has occurred since World War II, the current replacement cost basis results in larger depreciation charges than would estimates on an original cost basis.

Farm operator's realized net income represents what is left from realized gross farm income after deducting farm production expenses. This is substantially the net income realized from sales.

Net change in farm inventories measures the change in physical quantities of livestock and crops on farms, valued at average prices prevailing during the year. For some purposes, particularly for combining with the national income estimates of the nonfarm economy, which measure the net value of production during the calendar year, it is necessary to take into account changes in farm inventories. How-

ever, it should be kept in mind that the value of a buildup in inventories is "unrealized" until sold and that prices realized at the time of sale may be considerably different from those prevailing during the year of accumulation.

Farm operators' total net income is their realized income plus or minus the value of the net change in inventories. It is the figure included in the national income estimates of the U.S. Department of Commerce as farm proprietors' income.

Farm wages of laborers on farms represent the income received by farm laborers living on farms from wages paid by farm operators.

Personal income of the farm population from all sources is the sum of the personal income of the farm population from farm and nonfarm sources. Personal income from farm sources is the total net income of farm operators, including government payments, less the net income of nonresident farm operators, plus wages and salaries and other labor income of farm resident workers, less contributions of farm resident operators and workers to social insurance. Personal income of the farm population from nonfarm sources consist of income received from nonfarm wages and salaries, business and professional income, interest, and transfer payments, such as unemployment compensation, social security, and veterans benefits. Also included is rental income from nonfarm sources and an estimate of income from items such as dividends and royalties.

The components used in calculating the personal income of the farm population are shown in the following table:

Personal Income of Farm Population

	1975 \$Mil.
From farm sources	22,751
From nonfarm sources	22,708
Total, all sources	45,459

The *per capita personal income* of the farm population is derived by dividing the appropriate totals by the number of people living on farms.

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STATISTICAL INDICATORS

FARM INCOME

Gross and net farm income¹

Items	First Half			1974				1975				1976		
	1974	1975	1976	I	II	III	IV	I	II	III	IV	I	II	III ^p
\$ Bil.														
Cash receipts from farm marketings	94.7	85.6	96.2	99.4	90.0	89.3	91.7	80.0	91.1	96.5	90.8	90.9	101.5	95.5
Nonmoney and other farm income ²	7.4	8.4	9.2	7.4	7.5	7.7	7.8	8.4	8.5	8.7	8.8	9.1	9.3	9.3
Realized gross farm income	102.1	94.0	105.4	106.8	97.5	97.0	99.5	88.4	99.6	105.2	99.6	100.0	110.8	104.8
Farm production expenses ..	72.0	74.8	80.2	72.6	71.5	72.7	72.8	73.4	76.1	76.8	75.7	79.3	81.0	81.2
Farmers' realized net income	30.1	19.2	25.2	34.2	26.0	24.3	26.7	15.0	23.5	28.4	23.9	20.7	29.8	23.6
Net change in farm inventories	-1.1	2.4	.3	-1.5	-.8	0	-2.9	3.5	1.3	1.6	5.2	2.0	-1.4	-1.0
Farmers' total net income	29.0	21.6	25.5	32.7	25.2	24.3	23.8	18.5	24.8	30.0	29.1	22.7	28.4	22.6

¹ Quarterly data are seasonally adjusted at annual rates. ² Includes government payments to farmers, value of farm products consumed in

farm households, rental value of farm dwellings, and income from recreation, machine hire, and custom work. p Preliminary.

Cash receipts from farming

Items	January-June			1975		1976					
	1974	1975	1976	Aug	Mar	Apr	May	June	July	Aug	
\$ Mil.											
Farm marketings and CCC loans ¹	40,709	36,362	41,284	7,812	6,251	6,237	6,210	7,699	7,839	7,593	
Livestock and products	21,443	19,606	23,458	3,602	3,893	4,104	3,911	3,981	3,809	3,854	
Meat animals	13,096	11,561	14,047	2,122	2,342	2,555	2,257	2,355	2,146	2,253	
Dairy products	5,027	4,789	5,778	817	978	961	1,013	980	978	911	
Poultry and eggs	3,049	3,011	3,379	620	538	541	592	600	640	648	
Other	271	245	254	43	35	47	49	46	45	42	
Crops	19,266	16,756	17,826	4,210	2,358	2,133	2,299	3,718	4,030	3,739	
Food grains	3,183	2,903	3,086	1,355	286	289	415	1,131	1,321	915	
Feed crops	5,812	4,847	5,459	1,009	738	608	638	1,073	1,058	876	
Cotton (lint and seed)	1,079	978	850	37	120	26	28	31	22	38	
Tobacco	203	289	357	320	2	11	9	2	210	427	
Oil-bearing crops	3,646	2,513	2,743	380	329	269	238	493	330	345	
Vegetables and melons	2,212	2,001	2,110	602	329	366	385	437	494	605	
Fruits and tree nuts	1,348	1,430	1,539	266	243	210	304	355	341	300	
Other	1,783	1,795	1,682	241	311	354	282	196	254	233	
Government payments	93	489	255	44	32	52	16	19	40	71	
Total cash receipts ²	40,802	36,851	41,539	7,856	6,283	6,289	6,226	7,718	7,879	7,664	

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Cash receipts¹ from farm marketings, by States, January-August

State	Livestock and Products		Crops ²		Total ²	
	1975	1976	1975	1976	1975	1976
NORTH ATLANTIC						
Maine	159.0	172.9	77.9	117.7	236.8	290.6
New Hampshire	33.7	36.8	12.6	12.9	46.3	49.6
Vermont	128.8	160.9	11.7	13.0	140.6	173.9
Massachusetts	68.0	74.7	59.1	74.7	127.0	149.1
Rhode Island	7.2	8.0	10.1	31.3	17.3	39.2
Connecticut	74.1	88.6	72.9	84.2	147.0	172.8
New York	667.0	815.2	261.7	263.3	928.7	1,078.4
New Jersey	65.4	76.3	136.7	138.1	202.1	214.4
Pennsylvania	739.4	856.8	284.5	294.9	1,023.9	1,151.7
NORTH CENTRAL						
Ohio	721.4	799.6	978.6	833.0	1,699.9	1,632.6
Indiana	777.5	841.5	823.1	859.4	1,600.6	1,700.9
Illinois	1,209.4	1,291.3	2,039.6	2,592.4	3,249.1	3,883.7
Michigan	450.9	538.9	528.8	533.2	979.7	1,072.2
Wisconsin	1,373.7	1,696.3	300.3	311.8	1,674.0	2,008.1
Minnesota	1,296.8	1,488.7	1,045.1	1,012.6	2,341.9	2,501.3
Iowa	2,487.9	2,695.4	1,655.2	1,707.5	4,143.2	4,402.9
Missouri	979.9	1,137.3	544.3	551.8	1,524.3	1,689.1
North Dakota	251.4	328.5	900.4	823.5	1,151.8	1,152.0
South Dakota	814.5	979.9	371.3	266.1	1,185.8	1,246.0
Nebraska	1,353.8	1,522.5	1,003.6	1,031.1	2,357.4	2,553.7
Kansas	968.7	1,262.3	1,299.6	1,239.2	2,268.3	2,501.5
SOUTHERN						
Delaware	110.3	120.7	41.0	30.2	151.3	150.8
Maryland	264.6	286.8	127.1	108.2	391.7	395.0
Virginia	321.0	364.5	172.0	162.9	493.0	527.4
West Virginia	59.2	65.6	23.8	23.0	83.0	88.5
North Carolina	625.5	685.2	592.5	604.3	1,218.0	1,289.5
South Carolina	168.8	192.0	292.6	278.7	461.4	470.7
Georgia	715.4	795.0	435.0	420.0	1,150.3	1,215.0
Florida	398.5	477.7	1,349.4	1,442.6	1,747.9	1,920.3
Kentucky	407.5	499.4	308.6	346.5	716.1	845.9
Tennessee	354.8	453.3	160.4	180.1	515.2	633.5
Alabama	540.3	597.9	215.1	206.3	755.4	804.2
Mississippi	426.5	498.5	248.3	277.3	674.7	775.7
Arkansas	624.1	716.1	400.6	360.0	1,024.7	1,076.1
Louisiana	205.2	254.7	362.5	286.4	567.7	541.1
Oklahoma	667.3	868.6	561.0	488.5	1,228.2	1,357.1
Texas	1,913.4	2,295.7	1,643.4	1,635.9	3,556.9	3,931.6
WESTERN						
Montana	137.0	178.5	345.0	355.2	482.0	533.7
Idaho	307.7	368.8	356.7	367.1	664.4	736.0
Wyoming	90.8	119.3	37.5	53.3	128.3	172.6
Colorado	842.4	924.0	298.9	247.8	1,141.3	1,171.8
New Mexico	208.7	245.5	97.6	81.0	306.3	326.5
Arizona	307.2	357.4	395.5	381.0	702.6	738.4
Utah	137.1	164.2	49.7	43.0	186.8	207.2
Nevada	44.2	55.3	14.1	23.4	58.3	78.7
Washington	284.1	342.6	766.9	852.9	1,051.0	1,195.5
Oregon	201.1	240.5	339.8	348.4	540.9	588.9
California	1,817.7	2,039.1	2,878.2	3,020.8	4,695.9	5,059.9
Alaska	2.5	2.6	.8	.7	3.3	3.3
Hawaii	37.6	40.1	209.5	178.2	247.1	218.3
UNITED STATES						
Grand Total	26,840.2	31,121.3	25,140.4	25,595.4	51,989.6	56,716.8

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

Farm marketing indexes (physical volume)¹

Items	January-June			1975	1976					
	1974	1975	1976	Aug	Mar	Apr	May	June	July	Aug
1967=100										
All commodities	97	95	104	115	95	92	92	113	116	119
Livestock and products	102	102	108	104	110	112	106	109	110	113
Crops	91	86	97	132	76	65	71	116	127	127

¹Base weight period shifted from 1967-69 to 1971-73.

Farm Production¹

Items	1970	1971	1972	1973	1974	1975	1976 ²
1967=100							
Farm output	101	111	110	112	108	111	111
All livestock products ³	105	108	108	105	106	100	103
Meat animals	108	112	110	108	110	101	102
Dairy products	100	101	102	98	98	98	101
Poultry and eggs	106	107	109	106	106	102	109
All crops ⁴	101	112	113	120	110	122	118
Feed grains	89	116	112	115	93	113	113
Hay and forage	99	105	104	109	104	108	100
Food grains	91	107	102	112	120	141	138
Sugar crops	114	117	128	112	104	130	129
Cotton	139	145	187	175	158	112	138
Tobacco	97	86	88	88	101	111	104
Oil crops	117	121	131	155	127	151	128
Cropland used for crops	98	100	98	104	106	108	108
Crop production per acre	104	112	115	115	103	113	109

¹Prepared jointly by Economic Research Service and Statistical Reporting Service. For historical data and explanation of indexes, see "Changes in Farm Production and Efficiency," Statistical Bulletin 548. ²Preliminary indexes for 1976 based on October 1976 "Crop Production" and other releases of the Crop Reporting Board, SRS. ³Gross livestock production includes minor livestock products not

included in the separate groups shown. It cannot be added to gross crop production to compute farm output. ⁴Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.

FARM PRICES: RECEIVED AND PAID

Indexes of prices received and paid by farmers, U.S. average

Items	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
1967=100										
Prices Received										
All farm products	192	180	189	199	189	191	196	195	187	186
All crops	213	202	197	210	193	198	211	215	201	204
Food grains	309	242	223	264	222	218	218	213	191	185
Feed grains and hay	216	235	221	235	214	229	237	242	226	226
Feed grains	218	237	219	238	213	223	235	242	224	223
Cotton	231	158	245	210	223	254	302	317	268	278
Tobacco	138	166	158	165	158	158	158	153	166	177
Oil-bearing crops	204	203	180	198	171	181	222	240	219	239
Fruit	136	138	133	155	140	138	127	119	137	131
Fresh market ¹	131	132	133	153	141	139	126	116	136	129
Commercial vegetables	137	166	160	155	165	142	153	155	155	161
Fresh market	154	176	168	159	177	140	157	170	161	169
Potatoes ²	358	192	238	225	243	246	248	228	199	163
Livestock and products	173	160	183	189	186	185	184	179	175	172
Meat animals	176	157	181	190	188	186	187	176	166	161
Dairy products	171	162	190	183	188	183	181	187	194	195
Poultry and eggs	162	170	179	195	172	178	174	179	184	182
Prices Paid										
Commodities and services,										
interest, taxes, and wage rates	162	178	192	186	193	193	195	196	195	195
Family living items	146	163	173	169	174	174	175	177	177	178
Production items	161	179	195	189	197	196	199	199	198	197
Feed	182	189	186	188	183	187	199	206	198	200
Feeder livestock	169	124	162	151	174	168	162	154	152	142
Interest payable per acre										
on farm real estate debt	235	281	302	281	302	302	302	302	302	302
Taxes on farm real estate	154	162	169	162	169	169	169	169	169	169
Wage rates (seasonally adjusted)	175	190	211	192	209	209	209	213	213	213
Production items, interest, taxes,										
and wage rates	168	184	200	193	202	201	204	204	203	202
Prices received (1910-14=100)	479	448	473	497	473	477	490	488	468	466
Prices paid, etc. (Parity index)										
(1910-14=100)	549	604	654	631	656	656	663	665	663	662
Parity ratio	87	74	72	79	72	73	74	73	71	70

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweetpotatoes and dry edible beans.

Prices received by farmers, U.S. average

Commodities	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Crops										
All wheat (\$/bu.)	4.47	3.63	3.52	4.11	3.50	3.43	3.42	3.33	2.97	2.88
Rice, rough (\$/cwt.)	16.75	11.08	7.14	9.14	7.09	7.06	7.32	—	6.65	¹ 6.45
Corn (\$/bu.)	2.58	2.77	2.54	2.76	2.46	2.61	2.74	2.82	2.64	2.60
Sorghum (\$/cwt.)	3.94	4.28	4.14	4.56	4.13	4.14	4.29	4.53	4.03	4.20
All hay, baled (\$/ton)	47.60	51.90	56.60	50.80	54.10	64.80	59.60	59.00	58.70	60.80
Soybeans (\$/bu.)	5.56	5.47	4.83	5.32	4.52	4.87	6.16	6.73	6.07	6.65
Cotton, Upland (cts./lb.)	51.9	35.6	55.0	47.2	50.2	57.1	68.0	71.4	61.0	¹ 62.5
Potatoes (\$/cwt.)	6.78	3.57	5.03	4.04	5.23	5.26	5.43	4.85	4.16	3.24
Dry edible beans (\$/cwt.)	40.80	18.40	17.60	26.20	16.20	17.00	16.00	16.60	15.70	15.20
Apples for fresh use (cts./lb.)	11.3	12.2	8.7	11.7	10.0	9.3	7.1	9.5	12.3	13.2
Pears for fresh use (\$/ton)	² 206	² 178	² 215	138	218	244	—	140	105	155
Oranges, all uses (\$/box) ³	1.67	1.56	2.09	2.02	2.16	2.31	2.24	1.53	1.53	1.04
Grapefruit, all uses (\$/box) ³	1.47	1.73	1.36	2.08	1.27	1.87	1.16	1.10	2.19	2.20
Livestock										
Beef cattle (\$/cwt.)	39.60	31.00	35.40	34.00	37.90	36.90	36.30	33.50	32.80	32.40
Calves (\$/cwt.)	47.40	26.40	36.00	26.90	38.00	38.80	37.90	35.20	34.50	33.10
Hogs (\$/cwt.)	32.60	41.20	47.40	58.60	47.00	47.50	49.10	47.70	42.60	39.70
Lambs (\$/cwt.)	39.30	41.30	51.70	40.50	54.60	60.30	51.00	46.90	41.40	41.80
All milk, sold to plants (\$/cwt.)	8.59	8.21	9.57	9.25	9.37	9.23	9.11	9.41	9.75	¹ 9.85
Milk, manuf. grade (\$/cwt.)	7.58	7.04	8.53	8.25	8.50	8.31	8.32	8.60	8.88	¹ 8.70
Broilers (cts./lb.)	21.3	24.5	24.4	29.6	23.7	24.7	24.3	25.4	24.3	23.1
Eggs (cts./doz.) ⁴	53.2	50.9	56.5	55.8	53.4	55.5	53.8	55.5	60.6	62.1
Turkeys (cts./lb.)	29.3	31.2	32.2	36.3	31.6	32.0	31.4	31.2	30.9	30.5
Wool (cts./lb.) ⁵	66.2	41.6	60.1	44.8	67.8	69.5	69.0	70.2	66.5	68.8

¹Preliminary. ²January-May average. ³Equivalent on-tree returns.
⁴Average of all eggs sold by farmers, including hatching eggs and eggs

sold at retail. ⁵Average local market price, excluding incentive payments.

WHOLESALE AND RETAIL PRICES

Wholesale Price Index, U.S. average (not seasonally adjusted)

Commodity group	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
	1967=100									
All commodities	151.8	172.1	180.7	177.7	181.3	181.8	183.1	184.3	183.7	184.7
Industrial commodities	144.4	169.2	179.3	173.1	180.0	180.4	181.3	182.6	183.6	184.7
All foods ¹	166.7	183.8	180.8	189.7	181.5	182.1	180.1	180.9	176.2	176.5
Farm products and processed foods and feed	172.2	180.1	183.8	190.4	183.7	184.9	187.5	188.1	181.7	182.7
Farm products	190.1	179.0	192.0	197.1	192.9	192.6	196.5	196.9	189.3	191.8
Fruits and vegetables ²	213.0	180.2	184.4	182.6	195.0	179.0	160.8	164.7	159.3	180.2
Grains	243.3	226.1	215.0	232.9	209.0	213.5	225.1	224.3	207.6	205.5
Livestock	173.2	172.9	183.2	209.9	192.3	186.9	185.1	175.9	166.2	161.6
Poultry, live	152.5	176.2	173.2	203.9	165.4	174.3	174.9	184.0	179.0	164.9
Fibers, plant and animal	222.5	141.4	198.8	164.0	187.5	201.5	235.9	269.0	235.6	242.3
Milk	180.7	168.9	201.5	186.0	197.0	194.2	190.2	193.1	200.6	203.5
Eggs	160.3	153.5	169.7	174.4	162.6	171.5	165.8	167.7	186.8	188.9
Oilseeds	207.8	207.6	181.5	196.4	172.2	181.2	219.7	239.3	221.5	227.4
Processed foods and feeds	160.9	180.7	178.6	186.1	178.0	179.9	181.8	182.6	176.8	177.1
Meats	158.0	173.4	181.8	209.3	183.5	182.8	182.0	175.3	164.7	166.2
Beef and veal	162.5	165.7	162.8	192.7	171.5	162.0	157.9	147.3	144.9	148.0
Pork	150.8	189.3	212.9	250.0	203.3	212.6	220.9	218.0	192.5	194.2
Poultry	153.3	172.0	170.2	196.5	163.8	171.8	172.2	181.2	177.2	166.2
Fish	212.9	207.6	267.6	229.5	271.3	279.9	283.7	278.7	259.9	276.2
Dairy	148.0	149.1	166.9	160.8	167.7	167.1	167.0	170.0	173.9	170.3
Processed fruits and vegetables	142.9	170.7	167.6	168.4	167.1	167.9	170.0	169.9	171.3	172.3
Cereal and bakery products	168.0	179.6	174.0	177.0	172.8	173.4	173.7	173.6	170.9	169.6
Sugar and confectionery	192.6	291.0	203.2	219.4	202.5	208.7	197.4	201.3	185.0	167.3
Beverages	131.0	161.7	168.9	162.5	169.3	172.3	172.7	175.7	175.8	176.0
Vegetable oil and products	198.3	227.2	171.3	197.7	168.8	173.4	170.6	173.1	172.7	179.9
Textile products and apparel	137.2	135.6	146.8	138.4	147.4	147.0	148.1	149.0	149.2	149.0
Apparel	126.4	133.1	137.9	133.1	138.6	137.9	139.4	140.2	141.1	141.7
Hides, leather, and related products	144.5	145.2	163.6	151.3	165.4	169.6	167.4	169.8	171.3	173.6
Footwear	136.8	146.3	154.6	149.5	155.3	156.2	157.8	160.1	160.6	162.6
Lumber and wood products	191.6	173.8	199.0	179.9	203.3	202.3	199.8	203.7	207.5	212.7
Tobacco products	127.0	148.2	160.6	148.9	162.1	161.9	161.9	161.9	162.0	162.3

¹Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from farm products group. ²Fresh and dried.

Consumer Price Index, U.S. average (not seasonally adjusted)

Items	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
1967=100										
Consumer price index, all items	143.4	158.3	168.1	163.6	168.2	169.2	170.1	171.1	171.9	172.6
Consumer price index, less food	139.1	154.3	164.7	159.5	165.0	166.0	167.0	167.9	168.9	170.0
All food	158.2	171.9	179.9	177.8	179.2	180.0	180.9	182.1	182.4	181.6
Food away from home	154.9	171.5	183.3	176.5	183.8	184.8	185.6	186.9	187.8	188.7
Food at home	159.1	172.0	179.1	178.2	178.1	178.8	179.7	180.9	181.0	179.9
Meats ¹	166.3	164.7	181.3	190.5	176.6	180.6	181.6	182.9	180.1	177.4
Beef and veal	171.3	161.0	167.0	176.7	160.8	167.1	166.5	166.9	163.3	162.3
Pork	160.8	173.9	205.0	222.4	200.0	201.9	205.0	208.7	206.0	200.7
Poultry	147.5	152.2	159.3	177.2	158.0	155.3	160.7	161.9	158.2	155.1
Fish	184.9	197.8	221.4	208.1	222.3	225.1	226.3	227.9	229.3	234.4
Eggs	163.8	156.4	165.8	163.9	159.4	154.5	152.6	164.1	175.7	182.3
Dairy products ²	151.5	154.6	168.0	156.3	167.9	167.4	167.9	168.0	169.0	171.1
Fats and oils ³	162.6	208.5	174.6	189.7	171.7	170.6	170.4	169.7	169.2	171.1
Fruits and vegetables	165.3	168.6	175.4	167.4	179.0	176.4	176.7	177.3	178.3	170.8
Fresh	166.2	162.9	168.9	161.6	174.7	171.7	173.6	175.0	176.6	163.6
Processed	164.0	177.2	185.0	176.1	185.4	183.3	181.3	180.9	180.7	181.4
Cereals and bakery products	159.0	187.1	181.0	181.6	180.2	180.8	181.3	180.9	180.3	180.4
Sugar and sweets	163.6	260.5	221.8	238.2	221.1	219.5	219.3	217.9	218.0	214.9
Beverages, nonalcoholic	144.5	176.4	197.6	177.9	198.0	203.3	208.7	216.3	223.2	227.6
Apparel commodities less footwear	132.0	139.1	142.6	141.9	142.8	144.2	144.1	143.4	145.2	147.8
Footwear	135.4	143.6	147.7	144.6	149.0	149.6	149.5	149.6	151.0	152.3
Tobacco products	140.0	153.0	159.5	154.4	159.9	160.1	160.2	160.4	160.5	160.6
Beverages, alcoholic	127.8	141.2	145.5	142.5	146.0	146.6	146.8	147.5	147.6	147.7

¹ Beef, veal, lamb, mutton, pork, and processed meat. ² Includes butter. ³ Excludes butter.

FARM-RETAIL PRICE SPREADS

Farm-retail price spreads

Commodities	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept ⁶
Market basket ¹ :										
Retail cost (1967=100)	159.7	169.4	176.0	176.4	174.9	175.2	175.9	176.8	176.5	174.8
Farm value (1967=100)	177.5	178.0	183.3	202.8	184.2	181.9	183.2	183.0	178.7	175.1
Farm-retail spread (1967=100)	148.4	164.0	171.4	159.7	169.0	170.9	171.3	172.9	175.1	174.6
Farmer's share (%)	43	41	40	45	41	40	40	40	39	39
Beef, choice:										
Retail price ² (cts./lb.)	139.8	138.0	141.8	152.8	142.0	141.7	140.8	138.2	135.8	134.3
Carcass value ³ (cts.)	98.7	100.0	91.4	114.5	95.9	92.1	91.0	84.9	83.2	83.4
Net farm value (cts./2.28 lbs.)	86.9	88.2	80.4	100.2	87.4	81.2	80.6	74.2	72.8	72.3
Farm-retail spread (cts.)	52.9	49.8	61.4	52.6	54.6	60.5	60.2	64.0	63.0	62.0
Carcass-retail spread ⁴ (cts.)	41.1	38.0	50.4	38.3	46.1	49.6	49.8	53.3	52.6	50.9
Farm-carcass spread ⁵ (cts.)	11.8	11.8	11.0	14.3	8.5	10.9	10.4	10.7	10.4	11.1
Farmer's share (%)	62	64	57	66	62	57	57	54	54	54
Pork:										
Retail price ² (cts./lb.)	107.2	118.8	140.0	153.8	136.6	138.6	140.4	142.1	137.4	132.7
Wholesale value ³ (cts.)	74.4	91.2	100.5	124.5	98.6	101.4	101.8	98.6	92.0	88.6
Net farm value (cts./1.97 lbs.)	57.0	74.9	87.5	109.2	86.2	88.2	91.7	86.3	78.7	70.1
Farm-retail spread (cts.)	50.2	43.9	52.5	44.6	50.4	50.4	48.7	55.8	58.7	62.6
Carcass-retail spread ⁴ (cts.)	32.8	27.6	39.5	29.3	38.0	37.2	38.6	43.5	45.4	44.1
Farm-carcass spread ⁵ (cts.)	17.4	16.3	13.0	15.3	12.4	13.2	10.1	12.3	13.3	18.5
Farmer's share (%)	53	63	62	71	63	64	65	61	57	53

See footnotes at end of table.

Farm-retail price spreads¹—Continued

Commodities	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept ⁶
Milk, fresh:										
Retail price (cts./%gal.)	78.8	78.4	82.4	77.7	82.6	82.0	82.2	81.9	82.0	82.9
Farm value (cts./4.39 lbs. Class I)	41.9	39.9	46.2	41.4	44.5	45.5	44.7	44.8	45.4	46.3
Farm-retail spread (cts.)	36.9	38.5	36.2	36.3	38.1	36.5	37.5	37.1	36.6	36.6
Farmer's share (%)	53	51	56	52	54	55	54	55	55	56
Chicken, frying:										
Retail price (cts./lb.)	55.7	58.9	61.3	69.8	60.7	59.4	62.0	62.6	60.7	59.4
Farm value (cts./1.41 lbs. broilers)	30.6	33.7	34.1	41.9	32.6	32.1	34.5	36.9	34.8	32.4
Farm-retail spread (cts.)	25.1	25.2	27.2	27.9	28.1	27.3	27.5	25.7	25.9	27.0
Farmer's share (%)	55	57	56	60	54	54	56	59	59	55
Eggs, large grade A										
Retail price (cts./doz.)	79.8	76.3	80.8	79.9	77.6	75.2	74.4	80.0	85.7	89.0
Farm value (cts./1.03 doz.)	54.0	49.2	54.2	56.0	52.4	50.5	47.9	53.9	61.8	63.3
Farm-retail spread (cts.)	25.8	27.1	26.6	23.9	25.2	24.7	26.5	26.1	23.9	25.7
Farmer's share (%)	68	64	67	70	68	67	64	67	72	71
Bread, white:										
Retail price (cts./lb.)	33.6	36.8	35.3	35.0	35.1	35.3	35.6	35.4	35.3	35.4
Farm value (cts./0.867 lb. wheat)	5.5	4.4	4.3	5.0	4.3	4.2	4.2	4.1	3.5	3.3
Farm value (cts. for all farm ingredients)	7.6	6.9	6.2	7.3	6.1	6.1	6.0	6.0	5.3	4.9
Farm-retail spread (cts.)	26.0	29.9	29.1	27.7	29.0	29.2	29.6	29.4	30.0	30.5
Farmer's share (%)	23	19	18	21	17	17	17	17	15	14
Lettuce:										
Retail price (cts./head)	39.7	41.4	41.2	42.6	40.7	44.9	40.7	41.7	57.0	53.9
Farm value (cts./1.88 lbs.)	12.2	12.8	14.1	16.7	15.4	11.3	11.9	15.8	18.8	23.0
Farm-retail spread (cts.)	27.5	28.6	27.1	25.9	25.3	33.6	28.8	25.9	38.2	30.9
Farmer's share (%)	31	31	34	39	38	25	29	38	33	43
Potatoes:										
Retail price (cts./10 lbs.)	193.8	112.6	158.8	136.5	159.8	166.0	177.1	162.0	146.7	127.5
Farm value (cts./10.42 lbs.)	70.8	37.6	52.4	42.1	54.5	54.8	56.6	50.5	43.3	33.8
Farm-retail spread (cts.)	123.0	75.0	106.4	94.4	105.3	111.2	120.5	111.5	103.4	93.7
Farmer's share (%)	37	33	33	31	34	33	32	31	30	27
Tomatoes:										
Retail price (cts./lb.)	58.5	60.4	58.5	45.7	66.2	60.3	52.6	62.2	46.4	47.4
Farm value (cts./1.18 lbs.)	22.1	25.0	23.1	18.1	27.9	16.3	28.6	23.2	21.3	17.1
Farm-retail spread (cts.)	36.4	35.4	35.4	27.6	38.3	44.0	24.0	39.0	25.1	30.3
Farmer's share (%)	38	41	39	40	42	27	54	37	46	36
Orange juice, frozen concentrate:										
Retail price (cts./6-oz. can)	25.5	27.9	29.2	28.2	29.2	29.2	29.3	29.2	28.5	28.3
Farm value (cts./3.08 lbs.)	9.2	8.4	10.4	8.8	10.9	11.0	11.3	11.0	11.0	11.0
Farm-retail spread (cts.)	16.3	19.5	18.8	19.4	18.3	18.2	18.0	18.2	17.5	17.3
Farmer's share (%)	36	30	36	31	37	38	39	38	39	39
Margarine:										
Retail price (cts./lb.)	51.2	67.2	53.1	58.9	51.7	51.6	51.1	51.1	50.7	51.9
Farm value (cts. for veg. oil and NFDM)	23.1	22.9	14.4	19.8	14.6	13.4	15.1	19.1	16.8	20.1
Farm-retail spread (cts.)	28.1	44.3	38.7	39.1	37.1	38.2	36.0	32.0	33.9	31.8
Farmer's share (%)	45	34	27	34	28	26	30	37	33	39

¹ For a market basket of U.S. farm foods representing the average quantities purchased annually per household in 1960-61 and selected items. Retail prices are from Bureau of Labor Statistics unless otherwise noted. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling,

processing, transporting, and distributing these foods. Data are preliminary. ² Composite monthly average prices of all cuts adjusted for volume sold at special prices-derived from BLS and food chain prices. ³ For a quantity equivalent to 1 lb. retail cuts: Beef, 1.41 lb. of carcass beef (yield grade 3); pork, 1.07 lb. of wholesale cuts. ⁴ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁵ Represents charges made for livestock marketing, processing, and transportation to city where consumed. ⁶ Preliminary.

Farm-retail price spreads for selected foods

Third Quarter

Commodities in retail units	Retail price (cents)			Farm value (cents)			Farm-retail spread (cents)			Farmer's share (percent)		
	1974	1975	1976 ¹	1974	1975	1976 ¹	1974	1975	1976 ¹	1974	1975	1976 ¹
Beef, Choice (lb.)	141.0	156.4	136.1	91.3	100.9	73.1	49.7	55.5	63.0	65	65	54
Lamb, Choice (lb.)	152.3	174.7	188.1	76.7	92.1	92.6	75.6	82.6	95.5	50	53	49
Pork (lb.)	107.4	149.2	137.4	62.8	104.3	78.4	44.6	44.9	59.0	58	70	57
Butter (lb.)	91.2	101.6	131.4	53.6	70.5	89.2	37.6	31.1	42.2	59	69	68
Cheese, American process (½ lb.)	71.6	76.3	86.6	31.4	37.6	43.3	40.2	38.7	43.3	44	49	50
Ice cream (½ gal.)	108.8	120.6	126.6	38.3	42.8	47.7	70.5	77.8	78.9	35	35	38
Milk, evaporated (14½ oz.)	29.7	30.5	34.4	13.9	14.9	17.2	15.8	15.6	17.2	47	49	50
Milk, fresh:												
Sold in stores (½ gal.)	77.7	77.2	82.3	39.6	40.7	45.5	38.1	36.5	36.8	51	53	55
Chicken, frying (lb.)	54.1	68.8	60.9	31.4	41.7	34.7	27.4	27.1	26.2	58	61	57
Turkey (lb.)	66.3	74.5	73.7	33.0	44.9	39.5	33.3	29.6	34.2	50	60	54
Eggs, large Grade A (doz.)	70.8	74.7	84.9	47.9	50.3	59.7	22.9	24.4	25.2	68	67	70
Bread, white:												
All ingredients (lb.)	34.7	35.2	35.4	7.6	7.0	5.4	27.1	28.2	30.0	22	20	15
Wheat (lb.)	—	—	—	5.1	4.7	3.6	—	—	—	14	13	10
Bread, whole wheat (lb.)	53.7	56.5	57.8	6.6	6.0	5.1	47.1	50.5	52.7	12	11	9
Cookies, sandwich (lb.)	75.0	91.9	95.8	18.6	13.6	10.6	56.4	78.3	85.2	26	15	11
Corn flakes (12 oz.)	42.7	51.8	51.3	5.3	4.7	4.5	37.4	47.1	46.8	12	9	9
Flour, white (5 lb.)	101.6	95.0	92.6	40.7	37.2	28.6	60.9	57.8	64.0	40	39	31
Rice, long grain (lb.)	52.8	47.4	43.1	16.9	14.4	9.9	35.9	33.0	33.2	32	30	23
Apples (lb.)	38.4	41.9	36.3	11.4	13.2	12.1	27.0	28.7	24.2	30	32	33
Grapefruit (ea.)	23.0	27.0	24.3	5.1	4.6	5.4	17.9	22.4	18.9	22	17	22
Lemons (lb.)	41.9	46.1	43.6	10.7	14.7	8.5	31.2	31.4	35.1	26	32	19
Oranges (doz.)	114.8	121.7	118.8	28.3	27.6	25.4	86.5	94.1	93.4	25	23	21
Cabbage (lb.)	15.6	15.9	14.5	4.9	5.6	5.0	10.7	10.3	9.5	31	35	34
Carrots (lb.)	24.5	26.4	26.2	8.8	9.5	8.8	15.7	16.9	17.4	36	36	34
Celery (lb.)	25.5	26.9	28.3	7.7	7.8	7.9	17.8	19.1	20.4	30	29	28
Cucumbers (lb.)	29.8	30.6	30.6	10.2	11.0	10.2	19.6	19.6	20.4	34	36	33
Lettuce (head)	43.6	40.0	50.9	12.3	14.0	19.2	31.3	26.0	31.7	28	35	38
Onions (lb.)	20.8	32.5	22.7	6.9	15.1	5.9	13.9	17.4	16.8	33	46	26
Peppers, green (lb.)	54.2	57.2	50.5	14.2	18.0	15.2	40.0	39.2	35.3	26	31	30
Potatoes (10 lb.)	159.0	171.5	145.4	50.6	54.4	42.5	108.4	117.1	102.9	32	32	29
Tomatoes (lb.)	49.6	58.4	52.0	18.1	24.0	20.5	31.5	34.4	31.5	36	41	39
Peaches, canned (No. 2½)	54.0	60.6	59.2	12.6	17.0	14.3	41.4	43.6	44.9	23	28	24
Pears, canned (No. 2½)	66.9	74.4	71.1	16.1	19.7	15.4	50.8	54.7	55.7	24	26	22
Beets, canned (No. 303)	29.0	32.8	32.0	2.3	2.4	2.4	26.7	30.4	29.6	8	7	8
Corn, canned (No. 303)	29.8	38.9	35.3	4.2	5.5	5.6	25.6	33.4	29.7	14	14	16
Peas, canned (No. 303)	32.9	39.6	38.6	6.2	7.7	8.0	26.7	31.9	30.6	19	19	21
Tomatoes, canned (No. 303)	30.7	35.2	34.9	3.6	4.9	4.8	27.1	30.3	30.1	12	14	14
Lemonade, frozen (6-oz. can)	17.7	22.8	22.0	4.7	7.4	3.9	13.0	15.4	18.1	27	32	18
Orange juice, frozen (6-oz. can)	25.9	28.2	28.7	9.3	8.8	11.0	16.6	19.4	17.7	36	31	38
Potatoes, french fried, frozen (9 oz.)	24.3	25.3	27.6	7.4	4.6	5.8	16.9	20.7	21.8	30	18	21
Peas, frozen (10 oz.)	30.9	35.0	34.5	5.6	7.2	7.3	25.3	27.8	27.2	18	21	21
Beans, dried (lb.)	71.8	36.1	46.9	22.4	21.4	16.4	49.4	14.7	30.5	31	59	35
Margarine (lb.)	58.5	58.9	51.2	31.8	22.3	18.7	26.7	36.6	32.5	54	38	37
Peanut butter (12-oz. jar) ²	63.3	68.8	70.1	21.1	25.0	25.6	42.2	43.8	44.5	33	36	37
Salad and cooking oil (24-oz. bottle)	110.9	109.3	92.9	50.3	35.3	29.0	60.6	74.0	63.9	45	32	31
Vegetable shortening (3 lb.)	184.8	182.0	148.3	112.3	74.8	64.6	72.5	107.2	83.7	61	41	44
Sugar (5 lb.)	174.4	148.8	120.1	103.8	70.5	43.3	70.6	78.3	76.8	60	47	36
Spaghetti, canned (15½-oz. can)	24.4	26.7	26.7	3.5	4.1	3.5	20.9	22.6	23.2	14	15	13

¹ Preliminary. ² Farm value revised—farm product equivalent changed from 1.21 to 1.35 pounds of farmer's stock peanuts.

Market basket of farm foods¹

Product group	January-June			1975		1976 ²		
	1974	1975	1976	III	IV	I	II	III
	Dollars							
Retail cost								
Meat	537.72	535.93	595.43	625.55	633.28	601.86	589.00	590.99
Dairy	297.40	299.41	328.46	297.11	314.70	328.58	328.34	331.11
Poultry	68.82	70.72	74.34	81.25	79.00	74.92	73.75	73.76
Eggs	58.24	54.89	58.56	53.32	57.82	62.11	55.00	61.54
Bakery and cereal	267.48	310.04	300.02	298.42	298.68	300.10	299.94	298.40
Fresh fruits	71.13	73.74	70.08	83.04	68.77	66.90	73.26	81.36
Fresh vegetables	127.27	108.96	123.38	124.38	113.97	121.14	125.61	117.79
Proc. fruits and veg.	156.17	187.55	189.77	185.97	188.54	190.46	189.09	188.25
Fats and oils	68.29	86.53	70.10	76.74	75.75	71.79	68.42	67.62
Miscellaneous	72.90	103.37	92.15	93.44	92.31	91.99	92.31	91.47
Total	1,725.42	1,831.14	1,902.29	1,919.22	1,922.82	1,909.85	1,894.72	1,902.29
Farm value								
Meat	299.52	316.04	333.68	391.79	366.17	327.69	339.66	309.53
Dairy	151.39	141.68	169.45	149.01	165.62	171.78	167.12	171.73
Poultry	37.39	40.41	41.31	49.29	46.74	42.44	40.18	41.79
Eggs	39.44	35.44	39.33	35.91	39.06	42.15	36.51	43.25
Bakery and cereal:								
All ingredients	67.28	58.90	50.12	56.79	51.82	50.57	49.68	45.01
Grain	50.38	39.52	36.56	40.34	37.82	37.00	36.13	31.52
Fresh fruits	21.49	23.12	18.76	24.15	19.80	17.56	19.97	24.11
Fresh vegetables	43.58	38.26	41.53	43.30	38.87	42.28	40.77	37.54
Proc. fruits and veg.	34.88	39.97	39.11	40.50	40.05	39.18	39.04	38.81
Fats and oils	29.94	29.63	19.74	28.45	21.82	19.80	19.69	24.79
Miscellaneous	18.87	22.29	15.16	18.18	15.79	15.25	15.06	13.31
Total	743.78	745.74	768.19	837.37	805.74	768.70	767.68	749.87
Farm-retail spread								
Meat	238.20	219.89	261.76	233.76	267.11	274.17	249.34	281.46
Dairy	146.01	157.73	159.01	148.10	149.08	156.80	161.22	159.38
Poultry	31.43	30.31	33.03	31.96	32.26	32.48	33.57	31.97
Eggs	18.80	19.45	19.23	17.41	18.76	19.96	18.49	18.29
Bakery and cereal	200.20	251.14	249.90	241.63	246.86	249.53	250.26	253.39
Fresh fruits	49.64	50.62	51.32	58.89	48.97	49.34	53.29	57.25
Fresh vegetables	83.69	70.70	81.85	81.08	75.10	78.86	84.84	80.25
Proc. fruits and veg.	121.29	147.58	150.66	145.47	148.49	151.28	150.05	149.44
Fats and oils	38.35	56.90	50.36	48.29	53.93	51.99	48.73	42.83
Miscellaneous	54.03	81.08	76.99	75.26	76.52	76.74	77.25	78.16
Total	981.64	1,085.40	1,134.11	1,081.85	1,117.08	1,141.15	1,127.04	1,152.42
Percent								
Farmer's share								
Meat	56	59	56	63	58	54	58	52
Dairy	51	47	52	50	53	52	51	52
Poultry	54	57	56	61	59	57	54	59
Eggs	68	65	67	67	68	68	66	70
Bakery and cereal:								
All ingredients	25	19	17	19	17	17	17	15
Grain	19	13	12	14	13	12	12	11
Fresh fruits	30	31	27	28	29	26	27	30
Fresh vegetables	34	35	34	35	34	35	32	32
Proc. fruits and veg.	22	21	21	22	21	21	21	21
Fats and oils	44	34	28	37	29	28	29	37
Miscellaneous	26	22	16	19	17	17	16	15
Average	43	41	40	44	42	40	41	39

¹ Annual rate. See footnote 1 on monthly farm-retail price spread table (page 30) for description of data. ² Preliminary.

Food marketing: Spreads, costs, and profit rates

Year	Farm-retail price spread	Intermediate goods and services ¹				Interest rates ³	Profit rates after taxes			
		Total	Containers packaging	Fuel, power and light	Hourly earnings ²		Food retailers ⁴		Food manufacturers ⁵	
							Sales	Equity	Sales	Equity
1967=100				Dollars		Percent				
1970 ..	113.4	113	108	108	3.03	8.48	—	—	2.5	10.8
1971 ..	116.5	120	113	120	3.24	6.32	—	—	2.6	11.0
1972 ..	118.9	126	117	126	3.45	5.82	—	—	2.6	11.2
1973 ..	126.5	134	123	138	3.66	8.30	—	—	2.6	12.8
1974 ..	151.5	159	151	202	3.99	11.28	—	—	2.9	13.9
1975 ..	165.3	180	174	237	4.40	8.65	0.5	6.7	3.2	14.4
1973										
I	119.1	130	120	131	3.60	6.52	—	—	—	—
II	124.6	134	123	135	3.63	7.35	—	—	—	—
III	124.4	136	124	139	3.67	9.24	—	—	—	—
IV	137.7	140	126	151	3.75	10.08	—	—	3.0	15.0
1974										
I	142.2	148	131	175	3.85	9.91	—	—	2.7	12.4
II	154.6	155	145	200	3.94	11.15	—	—	2.7	12.8
III	152.5	166	161	212	4.04	12.40	0.9	11.7	3.2	15.4
IV	156.7	170	169	220	4.14	11.64	1.0	12.1	3.0	14.7
1975										
I	166.1	176	173	231	4.28	9.94	.4	-5.5	2.4	10.7
II	162.0	178	174	237	4.34	8.16	.8	10.5	3.3	15.0
III	163.5	181	174	238	4.43	8.22	.8	9.9	3.7	17.2
IV	168.9	184	176	241	4.55	8.29	.9	11.3	3.2	14.0
1976 ⁶										
I	172.5	186	179	243	4.65	7.54	.6	7.2	3.1	13.3
II	170.4	190	185	252	4.74	7.44	—	—	3.7	16.3
III	174.2	—	185	260	4.79	—	—	—	—	—

¹ Represents all goods purchased by food marketing firms except raw materials and plant and equipment, and all services except those performed by employees, calculated from wholesale price relatives.

² Weighted composite of production employees in food manufacturing and nonsupervisory employees in wholesale and retail trade, calculated from data of the U.S. Department of Labor. ³ Bank rates on short-term business loans in 35 centers, Department of Commerce.

⁴ Federal Trade Commission. The data are based on reports from all

food retailing corporations having more than \$100 million in annual sales, and whose activities are at least 75 percent specialized in supermarket operations. Comparable data not available prior to third quarter 1974. ⁵ "Quarterly Financial Report," Federal Trade Commission. Data represent national aggregate estimates for corporations based upon a sample of company reports. Data since the fourth quarter of 1973 are imperfectly comparable with prior data because of changes in accounting methods. ⁶ Preliminary.

Price spreads for beef and pork

Item	Retail price per pound ¹	Carcass value ²	Gross farm values ³	Byproduct allowance ⁴	Net farm value ⁵	Farm-retail spread			Farmer's share
						Total	Carcass- retail ⁶	Farm- carcass ⁷	
						Cents			Percent
Beef, Choice grade									
1971	104.3	75.7	72.3	4.5	67.8	36.5	28.6	7.9	65
1972	113.8	80.1	79.8	7.4	72.4	41.4	33.7	7.7	64
1973	135.5	98.1	100.0	10.1	89.9	45.6	37.4	8.2	66
1974	138.8	97.4	93.7	7.6	86.1	52.7	41.4	11.3	62
1975	146.0	105.5	99.9	7.0	92.9	53.1	40.5	12.6	64
1974									
Jan.-Mar.	145.1	103.9	101.5	9.4	92.1	53.0	41.2	11.8	63
Apr.-June	134.5	93.6	89.0	7.3	81.7	52.8	40.9	11.9	61
July-Sept.	141.0	102.1	99.1	7.8	91.3	49.7	38.9	10.8	65
Oct.-Dec.	134.5	90.2	85.4	6.1	79.3	55.2	44.3	10.9	59
1975									
Jan.-Mar.	129.6	86.6	80.3	5.1	75.2	54.4	43.0	11.4	58
Apr.-June	146.5	113.4	108.4	7.1	101.3	45.2	33.1	12.1	69
July-Sept.	156.4	115.4	108.8	7.9	100.9	55.5	41.0	14.5	65
Oct.-Dec.	151.4	106.5	102.2	7.9	94.3	57.1	44.9	12.2	62
1976									
Jan.-Mar.	142.1	89.8	85.3	7.6	77.7	64.4	52.3	12.1	55
Apr.-June	141.5	93.0	91.9	8.8	83.1	58.4	48.5	9.9	59
July-Sept.	136.1	83.8	82.1	8.9	73.1	63.0	52.3	10.7	54
Pork									
1971	70.3	52.1	35.0	2.7	32.3	38.0	18.2	19.8	46
1972	83.2	65.3	51.2	3.5	47.7	35.5	17.9	17.6	57
1973	109.8	87.3	78.2	6.7	71.5	38.3	22.5	15.8	65
1974	108.2	77.4	68.0	7.2	60.8	47.4	30.8	16.6	56
1975	135.0	103.8	94.8	7.9	86.9	48.1	31.2	16.9	64
1974									
Jan.-Mar.	115.2	82.3	73.8	7.7	66.1	49.1	32.9	16.2	57
Apr.-June	99.3	66.4	53.2	5.3	47.9	51.4	32.9	18.5	48
July-Sept.	107.4	77.6	70.1	7.3	62.8	44.6	29.8	14.8	58
Oct.-Dec.	111.0	83.5	75.0	8.4	66.6	44.4	27.5	16.9	60
1975									
Jan.-Mar.	114.4	85.7	75.6	7.3	68.3	46.1	28.7	17.4	60
Apr.-June	123.1	96.7	88.9	7.4	81.5	41.6	26.4	15.2	66
July-Sept.	149.2	118.9	114.0	9.7	104.3	44.9	30.3	14.6	70
Oct.-Dec.	153.4	113.9	100.9	7.3	93.6	59.8	39.5	20.3	61
1976									
Jan.-Mar.	141.5	100.3	92.6	6.2	86.4	55.1	41.2	13.9	61
Apr.-June	138.5	100.6	95.0	6.3	88.7	49.8	37.9	11.9	64
July-Sept.	137.4	93.1	84.5	6.1	78.4	59.0	44.3	14.7	57

¹Composite monthly average prices of all cuts adjusted for volume sold at special prices—derived from BLS and food chain prices. ²For a quantity equivalent to 1 lb. retail cuts: Beef, 1.41 lb. of carcass beef (1975 and later data based on yield grade 3); pork, 1.07 lb. of wholesale cuts. ³Payment to farmers for quantity of live animal equivalent to 1 retail pound: Beef, 2.28 lb. and pork 1.97 lb. ⁴Portion

of gross farm value attributed to edible and inedible byproducts. ⁵Gross farm value minus byproduct allowance. ⁶Includes not only gross margin for retailing but also charges made for other marketing services such as fabricating, wholesaling, and in-city transportation. ⁷Measure changes made for livestock marketing, processing, and transportation to city where consumed.

LIVESTOCK AND PRODUCTS: PRICES, SUPPLIES AND USE

Dairy:

Items	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept ^a
Milk production:										
Total milk (mil. lb.)	59,686	59,555	61,542	9,068	10,450	11,184	10,865	10,448	10,132	9,652
Milk per cow (lb.)	531	533	556	815	944	1,011	982	946	917	874
Number of milk cows (thou.)	11,235	11,182	11,070	11,128	11,072	11,061	11,061	11,050	11,047	11,041
Milk prices, Minnesota-Wisconsin,										
3.5% fat (\$/cwt.) ¹	7.56	6.93	8.47	8.27	8.44	8.30	8.32	8.71	8.99	8.46
Price of 16% dairy ration (\$/ton)	129	135	137	135	135	137	143	145	145	147
Milk-feed price ratio (lb.) ²	1.48	1.30	1.60	1.48	1.60	1.51	1.42	1.42	1.52	1.53
Stocks, beginning										
Total milk equiv. (mil. lb.) ³	5,207	5,886	3,844	6,279	4,306	4,850	5,846	6,570	6,949	6,995
Commercial (mil. lb.)	4,732	5,576	3,719	5,095	4,225	4,766	5,751	6,470	6,835	6,917
Government (mil. lb.)	476	310	124	1,184	81	84	94	100	114	78
Imports, total milk equiv. (mil. lb.) ³	1,861	580	794	146	111	118	142	139	132	—
USDA net removals:										
Total milk equiv. (mil. lb.) ³	588	2,341	84	⁴ -59.2	20.4	14.7	33.0	63.5	3.3	2.5
Butter:										
Production (mil. lb.)	519.0	579.6	534.7	57.5	87.6	94.0	84.0	72.4	66.0	—
Stocks, beginning (mil. lb.)	46.4	49.2	10.9	78.9	31.2	44.5	69.1	80.9	83.0	82.4
Wholesale price, Grade A										
Chicago (cts./lb.)	65.0	68.4	87.9	87.9	89.5	89.9	95.0	105.8	106.2	92.4
USDA net removals (mil. lb.)	24.5	81.8	.4	⁴ -3.2	.4	0	0	0	0	0
Commercial disappearance (mil. lb.)	429.9	494.0	464.5	66.5	74.2	70.0	72.5	70.8	64.9	—
American cheese:										
Production (mil. lb.)	1,057.2	885.8	1,063.3	116.5	187.2	204.1	207.3	189.0	177.1	—
Stocks, beginning (mil. lb.)	290.3	420.9	307.8	400.1	312.7	333.8	375.7	417.4	444.6	452.5
Wholesale price, Wisconsin assembly										
pt. (cts./lb.)	84.9	78.5	95.4	94.0	96.9	94.9	95.5	100.1	106.2	98.1
USDA net removals (mil. lb.)	3.7	63.2	4.7	.1	.5	1.1	3.1	6.2	0	0
Commercial disappearance (mil. lb.)	957.9	840.5	949.5	141.9	165.3	161.0	162.8	155.7	169.7	—
Other cheese:										
Production (mil. lb.)	536.3	563.6	632.6	98.3	109.8	109.5	112.8	107.6	106.8	—
Stocks, beginning (mil. lb.)	67.5	73.1	60.8	61.3	58.5	59.3	60.0	63.3	66.8	65.7
Commercial disappearance (mil. lb.)	616.1	630.3	700.3	113.2	121.0	120.3	123.7	119.9	123.0	—
Nonfat dry milk:										
Production (mil. lb.)	543.9	620.3	517.8	50.1	87.6	104.9	108.9	94.7	75.2	—
Stocks, beginning (mil. lb.)	74.6	293.2	468.9	529.5	475.6	442.0	463.6	479.5	497.2	505.6
Wholesale price, avg. manf. (cts./lb.)	60.1	60.4	63.7	64.6	63.1	62.8	62.8	62.8	63.0	—
USDA net removals (mil. lb.)	49.8	369.4	63.2	⁴ -4	5.6	16.0	22.5	27.6	10.6	9.7
Commercial disappearance (mil. lb.)	489.2	274.9	382.7	72.4	63.8	66.0	63.3	67.8	67.6	—
Frozen dessert production (mil. gal.) ⁵	552.6	580.9	572.4	103.7	99.9	100.6	118.1	119.2	113.8	—

¹ Manufacturing grade milk. ² Pounds of ratio equal in value to 1 lb. of milk. ³ Milk equivalent, fat-solids basis. ⁴ Domestic unrestricted sales exceeded purchases. ⁵ Ice cream, ice milk, and sherbert.

Meat animals:

Items	January-June			1975		1976				
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Cattle on feed (7-States)										
Number on feed (thou. head) ¹	9,353	6,369	8,533	5,949	7,525	7,519	7,254	7,074	6,666	6,432
Placed on feed (thou. head) ²	7,851	7,780	8,496	2,048	1,617	1,324	1,387	1,148	1,404	1,663
Marketings (thou. head)	9,195	7,614	9,284	1,298	1,502	1,489	1,457	1,500	1,586	1,467
Other disappearance (thou. head)	863	529	671	43	121	100	110	56	52	56
Beef steer-corn price ratio, Omaha (bu.) ³	15.9	14.7	15.0	16.6	16.6	14.8	14.2	13.4	13.8	14.3
Hog-corn price ratio, Omaha (bu.) ³	12.2	14.9	18.1	18.6	18.3	17.7	17.6	16.8	16.2	15.1
Commercial slaughter (thou. head)										
Cattle	17,331	19,283	21,080	3,672	3,354	3,238	3,576	3,483	3,675	—
Steers	9,880	9,423	9,365	1,421	1,506	1,496	1,670	1,651	1,705	—
Heifers	4,027	4,736	6,143	1,051	999	923	987	940	1,026	—
Cows	3,080	4,643	5,078	1,098	765	738	826	808	856	—
Bulls and stags	344	481	494	103	84	81	93	84	88	—
Calves	1,199	2,205	2,566	515	419	367	410	410	443	—
Sheep and lambs	4,302	3,870	3,277	785	590	448	524	547	585	—
Hogs	41,163	36,567	34,251	5,468	6,087	5,331	5,400	5,132	6,214	—
Commercial production (mil. lb.)										
Beef	11,072	11,435	12,634	2,065	2,017	1,966	2,161	2,110	2,233	—
Veal	167	348	384	82	59	56	63	62	67	—
Lamb and mutton	228	198	176	40	32	23	27	28	30	—
Pork	6,909	5,967	5,677	901	1,003	879	899	848	1,020	—
Market prices	Dol. per 100 pounds									
Slaughter cattle:										
Choice steers, Omaha	42.73	41.88	40.06	48.91	43.12	40.62	40.52	37.92	37.02	36.97
Utility cows, Omaha	30.07	20.50	27.51	22.45	30.72	30.24	27.47	25.80	25.10	22.90
Choice vealers, S. St Paul	58.77	40.43	47.42	36.57	49.49	44.95	37.60	34.51	41.52	39.84
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	43.79	31.03	41.54	37.59	44.62	44.21	42.83	39.18	38.94	36.18
Slaughter hogs:										
Barrows and Gilts, No. 1&2, Omaha ⁴	34.82	43.60	49.62	61.30	48.86	49.78	51.91	48.96	44.64	40.16
Barrows and Gilts, 7-markets	33.20	42.73	48.59	61.23	47.89	48.89	50.80	48.26	44.00	39.39
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	28.67	39.55	47.01	59.81	51.28	44.57	38.85	30.45	31.02	27.68
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	42.71	40.96	55.06	43.50	62.95	62.12	50.81	47.81	40.62	42.88
Ewes, Good, San Angelo	18.64	16.02	18.08	12.94	18.44	19.75	17.56	19.44	17.69	15.90
Feeder lambs:										
Choice, San Angelo	39.86	39.88	54.20	41.25	62.71	59.56	48.56	49.38	45.94	46.65
Wholesale meat prices, Midwest⁵										
Choice steer beef, 600-700 lb.	68.85	69.30	62.96	79.66	65.85	63.56	62.45	58.20	57.05	57.24
Canner and Cutter cow beef	62.38	42.60	55.55	45.40	60.48	59.12	54.88	53.48	51.62	47.75
Pork loins, 8-14 lb.	71.27	83.96	93.09	105.51	87.60	94.67	97.88	97.40	85.26	83.44
Pork bellies, 12-14 lb.	46.25	68.20	72.62	103.48	73.62	73.04	79.16	74.10	73.58	63.61
Hams, skinned, 14-17 lb.	59.95	72.17	83.07	99.08	84.19	82.86	81.76	77.32	74.66	72.18
	First Half			1975			1976			
Cattle on feed (23-States):	1974	1975	1976	II	III	IV	I	II	III	IV
Number on feed (thou. head) ¹	13,067	9,619	12,296	8,473	8,542	9,301	12,296	10,892	10,036	9,264
Placed on feed (thou. head) ²	10,554	10,308	11,058	5,550	6,025	8,317	5,459	5,599	5,673	—
Marketings (thou. head)	12,270	10,540	11,920	5,028	5,014	4,940	6,350	5,937	6,170	75,490
Other disappearance (thou. head)	1,304	845	1,031	453	252	382	513	518	275	—
Hogs and pigs (14-States):⁶										
Inventory (thou. head) ¹	52,825	47,170	41,855	40,330	40,955	41,535	41,855	40,865	44,918	—
Breeding (thou. head) ¹	7,445	6,283	6,368	6,080	6,191	6,011	6,368	6,706	6,916	—
Market (thou. head) ¹	45,380	40,887	35,487	34,250	34,764	35,524	35,487	34,159	38,002	—
Farrowings (thou. head)	5,591	5,503	4,206	2,428	2,088	2,103	2,047	2,815	2,476	—
Pig crop (thou. head)	39,834	38,703	30,009	17,469	15,020	15,182	14,552	20,743	18,104	—

¹ Beginning of period. ² Other disappearance excluded in 1973; not comparable with 1974 and 1975. ³ Bushels of corn equal in value to 100 pounds liveweight. ⁴ 220-240 lb. ⁵ Prior to Oct. 1975, Chicago;

annual 1975 midwest markets. ⁶ Annual is Dec. preceding year to Nov. listed; quarters are Dec. preceding year-Feb. (I), Mar-May (II), June-Aug (III), and Sept-Nov (IV). ⁷ Intentions.

Poultry and eggs:

Items	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Eggs										
Farm production (mil.)	33,472	32,031	32,319	5,252	5,333	5,452	5,264	5,396	5,378	5,229
Average number of layers on farms (mil.)	290	278	275	274	273	270	269	268	270	274
Rate of lay (eggs per layer)	115.3	115.4	117.6	19.1	19.6	20.2	19.6	20.1	19.9	19.1
Wholesale price, New York, grade A large (cts./doz.)	56.7	54.5	59.7	61.6	55.4	58.4	58.8	63.1	68.6	69.2
Price of laying feed (\$/ton)	146	148	146	149	144	146	156	162	158	159
Egg-feed price ratio (lb.) ¹	7.3	6.9	7.8	7.5	7.4	7.6	6.9	6.9	7.7	7.8
Stocks, beginning of period:										
Shell (thou. cases)	34	36	22	80	26	26	22	25	58	66
Frozen (mil. lb.)	43.2	54.2	36.3	51.9	29.3	29.4	29.1	30.3	31.6	31.0
Replacement chicks hatched (mil.)	269.0	253.0	264.2	33.9	50.8	47.6	41.9	38.0	38.1	37.4
Broilers										
Federally inspected slaughter, certified (mil. lb.)	4,060.8	3,894.5	4,430.2	684.9	742.5	745.4	825.9	766.0	805.2	—
Wholesale price, 9-city, (cts./lb.)	37.3	42.5	41.9	49.7	41.0	42.1	42.1	43.2	41.6	39.7
Price of broiler grower feed (\$/ton)	160	165	162	164	159	161	172	181	177	179
Broiler-feed price ratio (lb.) ¹	2.6	3.0	3.0	3.6	3.0	3.1	2.8	2.8	2.7	2.6
Stocks, beginning of period (mil. lb.)	33.4	37.2	22.3	34.2	18.9	19.0	17.4	20.0	25.7	26.6
Average weekly placements of broiler chicks, 21 States (mil.)	61.8	58.8	65.6	54.2	68.3	67.8	68.4	64.8	63.5	60.0
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	569.2	455.4	575.2	229.0	79.9	106.5	182.2	213.9	243.8	—
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	45.0	49.8	48.8	57.2	48.2	48.9	47.6	49.5	48.1	48.0
Price of turkey grower feed (\$/ton)	164	167	167	170	162	165	178	187	181	181
Turkey-feed price ratio (lb.) ¹	3.6	3.7	3.9	3.4	3.9	3.9	3.5	3.3	3.4	3.4
Stocks, beginning of period (mil. lb.)										
Poult hatched (mil.)	102.1	92.1	102.2	4.3	19.7	20.2	19.6	15.4	8.1	4.3

¹ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Wool:

	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
U.S. wool price, Boston ¹ (cts./lb.)	199	130	177	172	176	178	178	183	183	188
Imported wool price, Boston ² (cts./lb.)	242	180	208	167	(³)	210	212	212	214	221
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	40,716	42,451	57,660	8,051	9,066	8,756	11,064	7,324	7,566	—
Carpet wool (thou. lb.)	11,310	7,699	7,049	1,304	900	1,024	1,412	879	1,431	—

¹ Wool price delivered at U.S. mills, clean basis, 64's (20.60-22.04 microns) staple 2-3/4" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. ² Wool price delivered

at U.S. mills, clean basis, Australian 64's, type 78, including duty (25.5 cents). Prior to January 1976 reported as: Australian 64's combing, excluding duty. ³ No quotes due to strike.

CROPS AND PRODUCTS: PRICES, SUPPLIES AND USE

Supply and utilization of major crops¹

Commodity	Domestic measure ²				Metric measure ²			
	1973/74	1974/75	1975/76	1976/77	1973/74	1974/75	1975/76	1976/77
			Preliminary	Projected			Preliminary	Projected
Wheat:								
Area		Mil. acres				Mil. hectares		
Set aside	7.4	—	—	—	3.0	—	—	—
Planted	59.0	71.4	75.1	80.2	23.9	28.9	30.4	32.5
Harvested	53.9	65.6	69.7	70.4	21.8	26.5	28.2	28.5
Yield per harvested unit		Bu. per acre				Metric tons per hectare		
	31.7	27.4	30.6	30.2	2.13	1.84	2.06	2.03
Beginning stocks		Mil. bu.				Mil. metric tons		
Production	599	339	430	664	16.3	9.2	11.7	18.1
Imports	1,705	1,796	2,134	2,127	46.4	48.9	58.1	57.9
Supply, total	1	3	2	2	.03	.1	.1	.1
Domestic	2,307	2,138	2,566	2,793	62.8	58.2	69.8	76.0
Exports	751	690	729	820 ±35	20.4	18.8	19.8	22.3 ±1.0
Use, total	1,217	1,018	1,173	1,100 ±100	33.1	27.7	31.9	29.9 ±2.7
Ending stocks	1,968	1,708	1,902	1,920 ±90	53.6	46.5	51.7	52.3 ±2.4
	339	430	664	873 ±90	9.2	11.7	18.1	23.8 ±2.4
Price received by farmers		Dol. per bu.				Dol. per metric ton		
Price, Kansas City, No. 1 HRW	3.95	4.09	3.52	³ 3.15	145.14	150.28	129.34	³ 115.74
	4.51	4.20	3.74	³ 3.40	165.71	154.32	137.42	³ 124.93
Rice:								
Area		Mil. acres				Mil. hectares		
Allotment	2.22	2.10	1.80	1.80	.90	.85	.73	.73
Planted	2.18	2.56	2.82	2.45	.88	1.05	1.14	.99
Harvested	2.17	2.54	2.80	2.43	.88	1.04	1.13	.98
Yield per harvested unit		Lb. per acre				Metric tons per hectare		
	4,274	4,432	4,555	4,604	4.79	4.97	5.11	5.16
Beginning stocks		Mil. cwt.				Mil. metric tons		
Production	5.1	7.8	7.1	36.9	.23	.35	.32	1.67
Imports	92.8	112.4	127.6	112.0	4.21	5.10	5.79	5.08
Supply, total . . . . .	.2	—	—	—	.01	—	—	—
Domestic	98.1	120.2	134.7	148.9	4.45	5.45	6.11	6.75
Exports	37.0	41.0	40.2	42.8 ±1.0	1.68	1.86	1.82	1.94 ±0.5
Use, total	49.7	69.5	56.5	61.5 ±5.0	2.25	3.16	2.56	2.79 ±2.3
Ending stocks	86.7	110.5	96.7	104.3 ±5.0	3.93	5.01	4.39	4.73 ±2.3
Difference unaccounted	7.8	7.1	36.9	44.6 ±7.0	.35	.32	1.67	2.02 ±3.2
	+3.6	+2.7	+1.1	—	.17	.12	.05	—
Price received by farmers		Dol. per cwt.				Dol. per metric ton		
Price, long-grain milled, S.W. La. . . .	13.80	11.20	7.93	³ 6.55	304.24	246.92	174.83	³ 144.40
	30.40	21.50	17.20	³ 14.28	670.65	473.99	379.19	³ 314.82

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

Commodity	Domestic measure ²				Metric measures ²				
	1973/74	1974/75	1975/76 Preliminary	1976/77 Projected	1973/74	1974/75	1975/76 Preliminary	1976/77 Projected	
Feed grains: ⁴									
Area	Mil. acres				Mil. hectares				
Set aside	9.4	—	—	—	3.8	—	—	—	
Planted	121.4	122.5	123.1	129.3	49.1	49.6	49.8	52.3	
Harvested	102.3	100.6	104.8	106.8	41.4	40.7	42.4	43.2	
Yield per harvested unit	Short tons per acre				Metric tons per hectare				
	2.00	1.64	1.93	1.89	4.49	3.69	4.33	4.24	
	Mil. short tons				Mil. metric tons				
Beginning stocks	33.9	23.7	16.8	19.1	30.8	21.5	15.2	17.3	
Production	205.0	165.3	202.4	201.7	186.0	150.0	183.5	183.1	
Imports . . . . .	.2	.6	.5	.4	.2	.5	.5	.4
Supply, total	239.1	189.6	219.7	221.2	216.9	172.0	199.2	200.8	
Feed	153.3	115.7	127.8	132.6	±5	139.1	105.0	115.9	±5
Food, seed, and industrial uses	17.6	17.7	18.1	18.8	16.0	16.1	16.4	17.1	
Domestic, total	170.9	133.4	145.9	151.4	±5	155.0	121.1	132.3	±5
Exports	44.5	39.4	54.7	51.6	±4	40.4	35.7	49.6	±4
Use, total	215.4	172.8	200.6	203.0	±4	195.4	156.8	181.9	±4
Ending stocks	23.7	16.8	19.1	18.2	±4	21.5	15.2	17.3	±4
Corn:									
Area	Mil. acres				Mil. hectares				
Set aside	6.0	—	—	—	2.4	—	—	—	
Planted	71.9	77.8	77.9	84.1	29.1	31.5	31.5	34.0	
Harvested	61.9	65.4	66.9	71.0	25.0	26.5	27.1	28.7	
Yield per harvested unit	Bu. per acre				Metric tons per hectare				
	91.2	71.4	86.2	82.7	5.73	4.47	5.41	5.19	
	Mil. bu.				Mil. metric tons				
Beginning stocks	709	483	359	399	18.0	12.2	9.1	10.2	
Production	5,647	4,664	5,767	5,865	143.4	118.5	146.5	149.0	
Imports	1	2	2	1	(⁵)	.1	.1	(⁵)	
Supply, total	6,357	5,149	6,128	6,265	161.4	130.8	155.7	159.2	
Feed	4,183	3,191	3,564	3,750	±150	106.3	81.1	90.5	±4
Food, seed, and industrial uses	448	450	465	485	11.4	11.4	11.8	12.3	
Domestic, total	4,631	3,641	4,029	4,235	±150	117.5	92.5	102.3	±4
Exports	1,243	1,149	1,700	1,600	±100	31.6	29.2	43.2	±3
Use, total	5,874	4,790	5,729	5,835	±100	149.1	121.7	145.5	±3
Ending stocks	483	359	399	430	±100	12.2	9.1	10.2	±3
	Dol. per bu.				Dol. per metric ton				
Price received by farmers	2.55	3.03	⁶ 2.55	—	100.39	119.28	⁶ 100.39	—	
Price, Chi., No. 2 yellow	2.95	3.12	³ 2.75	—	116.14	122.83	³ 108.26	—	

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

Commodity	Domestic Measure ²				Metric Measure ²				
	1973/74	1974/75	1975/76	1976/77	1973/74	1974/75	1975/76	1976/77	
			Preliminary	Projected			Preliminary	Projected	
Cotton: ⁷									
Mil. acres				Mil. hectares					
Area	—	—	—	—	—	—	—	—	
Set aside	—	—	—	—	—	—	—	—	
Planted	12.5	13.7	9.5	11.8	5.1	5.5	3.8	4.8	
Harvested	12.0	12.6	8.8	11.1	4.8	5.1	3.6	4.5	
Lb. per acre				Metric tons per hectare					
Yield per harvested unit	520	441	453	445	.58	.49	.51	.50	
Mil. 480-lb. bales				Mil. metric tons					
Beginning stocks	⁸ 4.2	⁸ 3.8	⁸ 5.7	3.7	.9	.8	1.2	.8	
Production	13.0	11.5	8.3	10.3	2.8	2.5	1.8	2.2	
Supply, total ⁹	17.2	15.4	14.1	14.0	3.8	3.3	3.1	3.0	
Mill use	7.5	5.9	7.3	6.6	±.3	1.6	1.3	1.6	±.1
Exports	6.1	3.9	3.3	4.4	±.3	1.3	.9	.7	±.1
Use, total	13.6	9.8	10.6	11.0	±.3	3.0	2.1	2.3	±.1
Difference unaccounted ¹⁰2	.1	.2	.2	(⁵)	(⁵)	(⁵)	(⁵)	
Ending stocks	⁸ 3.8	⁸ 5.7	3.7	3.2	±.3	.8	1.2	.8	±.1
Cts. per lb.				Cts. per kilogram					
Price received by farmers	44.4	42.7	⁶ 49.9	—	97.9	94.1	⁶ 110.0	—	
Price, SLM, 1-1/16 in., spot	67.1	41.7	58.0	³ 72.8	147.9	91.9	127.8	³ 160.5	
Soybeans:									
Mil. acres				Mil. hectares					
Area									
Planted	56.7	53.5	54.6	50.3	22.9	21.7	22.1	20.4	
Harvested	55.8	52.4	53.6	49.4	22.6	21.2	21.7	20.0	
Bu. per acre				Metric tons per hectare					
Yield per harvested unit	27.7	23.2	28.4	25.3	1.86	1.56	1.91	1.70	
Mil. bu.				Mil. metric tons					
Beginning stocks	60	171	185	244	1.7	4.7	5.0	6.6	
Production	1,547	1,215	1,521	1,250	42.1	33.1	41.4	34.0	
Supply, total	1,607	1,386	1,706	1,494	43.8	37.8	46.4	40.7	
Crushings	821	701	866	785	±30	22.3	19.1	23.6	±.8
Exports	539	421	555	525	±30	14.7	11.5	15.1	±.8
Seed, feed, and residual	76	79	41	84		2.1	2.2	1.1	2.3
Use, total	1,436	1,201	1,462	1,394	±60	39.1	32.8	39.8	±1.6
Ending stocks	171	185	244	100	±30	4.7	5.0	6.6	±.8
Dol. per bu.				Dol. per metric ton					
Price received by farmers	5.68	6.64	⁶ 5.00	—	208.70	243.98	⁶ 183.72	—	
Price, Chi., No. 1 yellow	6.12	6.33	5.25	³ 6.59	224.81	232.59	192.90	³ 242.14	

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

Commodity	Domestic measure ²				Metric measure ²			
			1975/76	1976/77			1975/76	1976/77
	1973/74	1974/75	Preliminary	Projected	1973/74	1974/75	Preliminary	Projected
Soybean oil:								
	Mil. lb.				Thou. metric tons			
Beginning stocks	516	794	561	1,285	234	360	254	583
Production	8,995	7,376	9,634	8,320 ±300	4,080	3,346	4,370	3,774 ±136
Supply, total	9,511	8,170	10,195	9,605 ±300	4,314	3,706	4,624	4,357 ±136
Domestic	7,282	6,581	7,960	7,500 ±200	3,303	2,985	3,611	3,402 ±91
Exports	1,435	1,028	950	1,150 ±200	651	466	431	522 ±91
Use, total	8,717	7,609	8,910	8,650 ±400	3,954	3,451	4,042	3,924 ±181
Ending stocks	794	561	1,285	955 ±400	360	254	583	433 ±181
	Cts. per lb.				Cts. per kilogram			
Price, crude, Decatur	31.5	30.7	18.3	—	69.4	67.7	40.3	—
Soybean meal:								
	Thou. short tons				Thou. metric tons			
Beginning stocks	183	507	358	390	166	460	325	354
Production	19,674	16,702	20,732	18,640 ±750	17,848	15,152	18,808	16,910 ±680
Supply, total	19,857	17,209	21,090	19,030 ±750	18,014	15,612	19,133	17,264 ±680
Domestic	13,802	12,552	15,500	13,750 ±700	12,521	11,387	14,061	12,474 ±635
Exports	5,548	4,299	5,200	4,800 ±300	5,033	3,900	4,717	4,354 ±272
Use, total	19,350	16,851	20,700	18,550 ±1,000	17,554	15,287	18,719	16,828 ±907
Ending stocks	507	358	390	480 ±150	460	325	354	435 ±136
	Dol. per short ton				Dol. per metric ton			
Price, bulk, Decatur, 44%	146.35	130.86	147.78	—	161.32	144.25	162.90	—

¹Marketing years beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, and soybean oil and meal. ²Conversions between measures may not exactly convert or add due to rounding. Conversion factors: Hectare (ha.) = 2.471 acres; and 1 metric ton = 2,204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 45.9296 bushels of barley, 68.8944 bushels of oats,

22.046 cwt. of rice, and 4.59 480-pound bales of cotton. ³Average for beginning of marketing year through September 1976. ⁴Corn, sorghum, oats, and barley. ⁵Less than 0.05. ⁶Season average estimate. ⁷Upland and extra long staple. ⁸Based on Census Bureau data. ⁹Includes imports. ¹⁰Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution.

Feed grains:

	Marketing year ¹			1975	1976					
	1972/73	1973/74	1974/75	Sept	Apr	May	June	July	Aug	Sept
Wholesale prices:										
Corn, No. 2 yellow, Chicago (\$/bu.)	1.91	2.95	3.12	2.99	2.68	2.84	2.96	2.96	2.87	2.77
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	3.24	4.64	5.01	4.66	4.47	4.49	4.66	4.73	4.29	4.27
Barley, feed, Minneapolis (\$/bu.) ²	1.17	2.03	2.58	3.00	2.39	2.50	2.52	2.45	2.48	2.68
Barley, malting, Minneapolis (\$/bu.) ²	1.43	2.67	4.16	3.93	3.17	3.22	3.55	3.59	3.37	3.24
Exports:										
Corn (mil. bu.)	1,258	1,243	1,149	77	165	154	161	139	122	⁴ 105
Feed grains (mil. short tons) ³	43.1	44.5	39.4	3.0	5.2	4.6	4.8	4.6	4.2	⁴ 4.6

	Marketing year ¹			1975			1976			
	1973/74	1974/75	1975/76	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec
Corn:										
Stocks, beginning (mil. bu.)	709	483	359	2,214	1,492	359	4,431	2,812	1,853	399
Domestic use:										
Feed (mil. bu.)	4,183	3,191	3,564	458	668	1,130	1,099	555	780	—
Food, seed, ind. (mil. bu.)	448	450	465	86	147	112	115	85	153	—
Feed grains: ³										
Stocks, beginning (mil. short tons)	33.9	23.7	16.8	76.3	51.2	29.3	152.0	95.3	62.6	29.8
Domestic use:										
Feed (mil. short tons)	153.3	115.6	127.8	15.6	24.7	41.2	39.1	19.2	28.2	—
Food, seed, ind. (mil. short tons)	17.6	17.7	18.1	3.8	5.6	4.1	4.3	3.8	6.1	—

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² No. 3 or better. ³ Aggregated data for corn, sorghum, oats

and barley. Note change in oats and barley marketing year to June-May. ⁴ Based on inspections for export.

Food grains:

	Marketing year ¹			1975	1976					
	1973/74	1974/75	1975/76	Sept	Apr	May	June	July	Aug	Sept
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	4.51	4.20	3.74	4.21	3.61	3.57	3.75	3.63	3.21	3.01
Wheat, DNS, Minneapolis (\$/bu.) ²	4.42	4.57	3.74	4.12	3.47	3.56	3.82	3.63	3.14	2.95
Flour, Kansas City (\$/cwt.)	10.30	10.19	9.25	10.21	9.06	8.71	8.84	n.a.	8.08	7.61
Flour, Minneapolis (\$/cwt.)	10.60	11.40	10.41	11.24	10.25	10.08	10.35	10.29	9.44	8.50
Rice, S.W. La. (\$/cwt.) ³	30.40	21.50	17.20	18.30	15.30	16.60	16.50	16.25	14.70	13.85
Wheat:										
Exports (mil. bu.)	1,217	1,018	1,173	128	81	73	73	90	120	—
Mill grind (mil. bu.)	551	538	574	51	47	49	48	49	54	—
Wheat flour production (mil. cwt.)	247	239	255	23	21	21	21	22	24	—
	Marketing year ¹			1975			1976			
	1973/74	1974/75	1975/76	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec
Wheat:										
Stocks, beginning (mil. bu.)	599	339	430	662	430	1,891	1,384	936	664	2,163
Domestic use:										
Food (mil. bu.)	530	521	559	89	186	144	140	89	—	—
Feed and seed (mil. bu.) ⁴	221	169	170	-7	59	21	61	29	—	—
Exports (mil. bu.)	1,217	1,018	1,173	150	429	343	247	154	—	—

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by

residual. Note change in wheat marketing year to June-May. n.a.—not available.

Fats and oils:

	Marketing year ¹			1975	1976					
	1973/74	1974/75	1975/76	Sept	Apr	May	June	July	Aug	Sept
Soybeans:										
Wholesale price, No. 1										
yellow, Chicago (\$/bu.)	6.12	6.33	5.25	5.55	4.71	5.21	6.25	6.64	6.30	6.59
Crushings (mil. bu.)	821.3	701.3	866	56.5	77.2	79.6	74.6	70.6	65.3	—
Processing margin (\$/bu.) ² . . . . .	.72	.15	.16	.19	.06	.11	.15	.26	.08	—
Exports (mil. bu.)	539.1	420.7	555	24.3	50.5	49.5	47.2	29.2	24.3	—
Soybean oil:										
Wholesale price, crude,										
Decatur (cts./lb.)	31.5	30.7	18.3	24.4	16.3	15.8	17.6	20.9	20.4	22.5
Production (mil. lb.)	8,994.7	7,376.2	9,634	599.2	846.1	869.8	813.9	788.7	731.9	—
Domestic disappearance										
(mil. lb.)	7,255.4	6,518.5	³ 7,960	577.4	666.2	657.1	569.3	751.9	608.3	—
Exports (mil. lb.)	1,435.2	1,028.3	950	13.6	55.6	161.2	74.6	77.8	45.2	—
Stocks, beginning (mil. lb.)	515.5	793.5	561	567.1	946.1	1,060.9	1,108.6	1,274.5	1,229.9	1,308.3
Soybean meal:										
Wholesale price, 44%										
protein, Decatur (\$/ton)	146.35	130.86	147.78	133.70	127.10	152.25	187.90	193.90	173.30	179.20
Production (thou. ton)	19,674.4	16,701.5	20,732	1,337.9	1,830.2	1,890.8	1,771.8	1,670.3	1,543.8	—
Domestic disappearance										
(thou. ton)	13,766.3	12,501.3	³ 15,500	1,098.3	1,173.0	1,403.7	1,382.9	1,248.9	1,166.8	—
Exports (thou. ton)	5,547.6	4,298.8	5,200	274.4	644.4	380.1	474.8	384.3	435.2	—
Stocks, beginning										
(thou. ton)	183.2	507.3	358	404.5	358.3	358.8	462.8	369.8	406.9	348.7
Margarine, wholesale price,										
Chicago (cts./lb.)	30.2	44.3	37.9	36.0	31.0	30.8	30.0	31.8	30.0	32.0

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1973, 1974 and 1975 for margarine. ² Spot basis, Illinois shipping points. ³ Includes shipments to U.S. Territories.

Fruit:

	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Wholesale price indexes:										
Fresh fruit (1967=100)	137.4	164.1	154.5	151.3	160.1	152.7	149.9	158.7	155.6	181.9
Dried fruit (1967=100)	255.6	216.1	209.6	212.4	210.3	210.3 ⁴	211.9	214.9	217.1	218.9
Canned fruit and juice (1967=100)	148.1	175.1	170.3	172.9	169.3	171.2	173.5	174.9	177.3	178.5
Frozen fruit and juice (1967=100)	141.4	155.1	160.9	154.9	161.9	161.9	161.9	152.3	152.3	152.3
F.o.b. shipping point prices:										
Apples, Yakima Valley (\$/ctn.) ¹	n.a.	n.a.	n.a.	7.75	6.92	6.07	n.a.	n.a.	n.a.	9.54
Pears, Yakima Valley (\$/box) ²	n.a.	n.a.	n.a.	n.a.	8.50	n.a.	n.a.	n.a.	n.a.	n.a.
Oranges, U.S. avg. (\$/box)	6.62	6.45	6.27	7.75	6.06	5.93	6.43	7.00	6.99	7.35
Grapefruit, U.S. avg. (\$/box)	5.26	6.36	5.73	5.82	5.46	6.00	6.26	6.38	7.17	7.15
Stocks, beginning:										
Fresh apples (mil. lb.)	2,074.2	2,214.1	2,569.3	10.6	1,111.7	778.7	433.3	174.0	53.0	10.5
Fresh pears (mil. lb.)	128.6	170.5	162.2	565.9	62.5	35.7	10.9	.3	58.4	148.8
Frozen fruit (mil. lb.)	516.3	607.3	558.3	600.1	388.4	338.4	331.9	379.5	470.1	497.2
Frozen fruit juices (mil. lb.)	853.4	883.0	970.5	1,199.0	1,293.2	1,352.8	1,469.4	1,604.5	1,472.6	1,321.0

¹ Red Delicious, regular storage, Washington extra fancy, carton tray pack, 80-125's. ² D'Anjou pears, regular storage, Washington wrapped, U.S. No. 1, 90-135's. n.a. not available.

Cotton:

	Marketing year ¹			1975	1976					
	1973/74	1974/75	1975/76		Apr	May	June	July	Aug	Sept
U.S. price, SLM, 1-1/16 in. (cts./lb.) ²	67.1	41.7	58.0	50.7	57.2	62.1	72.7	78.7	73.2	72.3
Northern Europe prices:										
Index (cts./lb.) ³	76.3	52.5	65.3	55.4	66.5	70.4	79.8	88.3	84.9	83.9
U.S., SM 1-1/16 in. (cts./lb.) ⁴	78.3	56.4	71.4	65.4	70.3	75.4	83.2	87.5	83.8	83.6
U.S. mill consumption (thou. bales)	7,448.4	5,833.7	7,237.4	552.7	559.5	570.8	717.0	462.0	527.6	—
Exports (thou. bales)	6,123.0	3,925.9	3,311.3	269.2	313.2	341.0	327.9	287.4	284.7	—

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths.

⁴ Memphis territory growths.

Vegetables:

	January-June			1975	1976					
	1974	1975	1976		Apr	May	June	July	Aug	Sept
Wholesale prices:										
Potatoes, white, f.o.b. East (\$/cwt.)	9.70	4.36	6.92	6.70	8.33	7.17	5.37	4.89	5.30	5.41
Iceberg lettuce (\$/ctrn.) ¹	2.70	2.54	3.08	3.19	3.82	2.33	2.99	4.99	4.12	4.01
Tomatoes (\$/ctrn.) ²	6.21	6.88	6.86	3.75	7.81	5.73	7.58	4.49	5.10	5.58
Wholesale price index, 10 canned veg. (1967=100)	132	171	156	166	158	158	156	156	158	166
Grower price index, fresh commercial veg. (1967=100)	154	176	168	159	177	140	157	170	161	169

¹ Std. carton 24's, f.o.b. shipping point. ² 2 layers, 5 x 6-6 x 6, f.o.b. Fla.-Cal.

Tobacco:

	January-June			1975	1976					
	1974	1975	1976		Apr	May	June	July	Aug	Sept
Prices at auctions:										
Flue-cured (cts./lb.)	—	—	—	104.2	—	—	—	98.7	108.7	119.0
Burley (cts./lb.)	91.8	106.3	92.6	—	—	—	—	—	—	—
Domestic consumption: ¹										
Cigarettes (bil.)	295.2	289.3	320.1	52.8	49.6	50.4	58.4	44.0	54.1	—
Large cigars (mil.)	2,437	2,284	2,147	389.3	461.3	433.5	475.5	394.9	465.2	—

¹ Taxable removals.

Sugar:

	January-June			1975	1976					
	1974	1975	1976		Apr	May	June	July	Aug	Sept
Wholesale price, N.Y. (\$/cwt.) ¹	19.40	27.67	15.44	17.36	15.58	15.97	14.40	14.59	11.32	9.80
U.S. deliveries (thou. short tons) ^{1 2}	5,668	4,337	5,301	930	876	927	993	979	³ 1,015	³ 1,032

¹ Raw value. ² Excludes Hawaii. ³ Preliminary.

GENERAL ECONOMIC DATA

Gross national product and related data

Items	First Half		1974		1975				1976		
	1974	1975	1976	IV	I	II	III	IV	I	II	IIIp
\$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product ¹	1,386.0	1,464.2	1,655.7	1,449.2	1,446.2	1,482.3	1,548.7	1,588.2	1,636.2	1,675.2	1,709.7
Personal consumption expenditures	866.0	946.8	1,054.2	911.1	933.2	960.3	987.3	1,012.0	1,043.6	1,064.7	1,088.9
Durable goods	120.6	124.6	153.2	117.4	122.1	127.0	136.0	141.8	151.4	155.0	158.1
Nondurable goods	366.2	400.1	432.0	388.5	394.4	405.8	414.6	421.6	429.1	434.8	442.7
Clothing and shoes	64.6	68.0	73.4	65.0	66.6	69.3	71.3	73.0	73.5	73.2	76.0
Food and beverages	184.0	205.5	221.2	198.0	203.2	207.8	211.8	215.2	219.2	223.1	226.2
Services	379.2	422.0	469.0	405.2	416.7	427.4	436.7	448.6	463.2	474.9	488.1
Gross private domestic investment	217.6	168.4	234.4	211.5	172.4	164.4	196.7	201.4	229.6	239.2	245.5
Fixed investment	204.8	194.4	219.0	201.7	194.6	194.3	198.6	205.7	214.7	223.2	231.1
Nonresidential	147.0	146.9	155.6	151.9	148.0	145.8	146.1	148.7	153.4	157.9	162.5
Residential	57.8	47.6	63.3	49.8	46.6	48.6	52.6	57.0	61.3	65.3	68.7
Change in business inventories	12.8	-26.1	15.4	9.7	-22.2	-30.0	-2.0	-4.3	14.8	16.0	14.4
Net exports of goods and services	9.4	19.7	8.8	8.1	15.0	24.4	21.4	21.0	8.4	9.3	5.9
Exports	137.7	145.2	157.2	153.8	147.5	142.9	148.2	153.7	154.1	160.3	166.2
Imports	128.2	125.5	148.4	145.7	132.5	118.5	126.8	132.7	145.7	151.0	160.3
Government purchases of goods and services	293.0	329.4	358.4	318.5	325.6	333.2	343.2	353.8	354.7	362.0	369.5
Federal	107.5	121.4	130.2	118.1	120.3	122.4	124.6	130.4	129.2	131.2	134.4
State and local	185.5	208.1	228.2	200.4	205.3	210.9	218.6	223.4	225.5	230.9	235.1
1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product	1,225.6	1,169.1	1,253.2	1,191.7	1,161.1	1,177.1	1,209.3	1,219.2	1,246.3	1,260.0	1,272.2
Personal consumption expenditures	761.8	761.0	804.6	748.1	754.6	767.5	775.3	783.9	800.7	808.6	816.4
Durable goods	115.0	107.2	124.8	103.1	106.0	108.4	115.1	118.0	124.3	125.2	126.6
Nondurable goods	304.6	303.9	316.1	299.8	300.6	307.2	306.8	309.5	314.6	317.6	319.7
Clothing and shoes	59.7	59.8	63.0	57.3	58.6	61.0	62.1	63.4	63.3	62.6	64.1
Food and beverages	146.8	149.8	156.5	147.1	148.5	151.2	150.4	151.9	155.3	157.7	159.2
Services	342.4	349.9	363.8	345.1	348.0	351.8	353.4	356.4	361.8	365.8	370.0
Gross private domestic investment	191.4	127.8	169.4	169.1	129.3	126.2	148.7	147.0	167.1	171.7	173.8
Fixed investment	181.0	148.6	158.6	161.1	149.8	147.4	149.7	152.5	156.7	160.6	163.9
Nonresidential	132.6	112.5	113.8	121.8	114.4	110.6	110.1	110.5	112.6	114.9	117.0
Residential	48.4	36.1	44.9	39.3	35.4	36.8	39.6	41.9	44.1	45.7	46.9
Change in business inventories	10.4	20.8	10.8	8.0	-20.5	-21.2	-1.0	-5.5	10.4	11.1	9.9
Net exports of goods and services	16.6	22.2	16.3	17.7	20.1	24.3	22.8	23.1	16.6	16.0	16.5
Exports	98.2	89.0	94.5	95.9	90.3	87.7	90.7	93.9	93.6	95.4	97.5
Imports	81.6	66.8	78.2	78.2	70.2	63.4	67.9	70.8	77.0	79.4	81.0
Government purchases of goods and services	255.8	258.1	262.8	256.9	257.1	259.1	262.4	265.2	261.9	263.6	265.6
Federal	95.0	95.0	95.7	95.4	94.8	95.3	95.6	97.2	95.4	96.0	97.2
State and local	160.8	163.0	167.2	161.5	162.2	163.8	166.9	168.0	166.6	167.7	168.4
New plant and equipment expenditures	109.34	113.52	116.42	116.22	114.57	112.46	112.16	111.80	114.72	118.12	122.96
Implicit price deflator for GNP (1972=100)	113.10	125.24	132.12	121.60	124.55	125.93	128.07	130.27	131.29	132.96	134.39
Disposable income (\$bil.)	959.0	1,056.0	1,160.0	1,015.8	1,023.8	1,088.2	1,091.5	1,119.9	1,147.6	1,172.5	1,190.4
Disposable income (1972 \$bil.)	843.6	848.8	885.4	834.0	827.9	869.7	857.1	867.5	880.4	890.5	892.5
Per capita disposable income (\$)	4,533	4,956	5,401	4,779	4,809	5,102	5,105	5,227	5,347	5,455	5,528
Per capita disposable income (1972 \$)	3,988	3,984	4,123	3,923	3,889	4,078	4,009	4,049	4,103	4,143	4,144
U.S. population, tot. incl. military											
abroad (mil.)	211.6	213.1	214.8	212.6	212.9	213.3	213.8	214.2	214.6	214.9	215.3
Civilian population (mil.)	209.3	210.9	212.6	210.4	210.7	211.1	211.6	212.1	212.5	212.8	213.2

See footnotes at end of next table.

Selected monthly indicators

Items	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Monthly data seasonally adjusted except as noted										
Industrial production, total ²										
(1967=100)	130.4	113.7	128.2	122.1	128.4	129.6	130.1	130.7	131.3	131.3p
Manufacturing (1967=100)	130.7	111.8	128.0	121.4	128.5	129.6	130.2	131.2	131.7	131.6p
Durable (1967=100)	126.6	106.2	119.5	113.5	120.1	121.7	122.3	124.1	124.9	124.0p
Nondurable (1967=100)	136.6	119.9	140.2	132.9	140.7	140.9	141.3	141.4	141.7	142.4p
Leading economic indicators ^{1 3}										
(1967=100)	117.1	94.2	107.0	102.5	107.2	108.0	109.2	109.5	108.7	107.9p
Employment ⁴ (Mil. persons)	85.9	84.4	87.0	85.2	87.4	87.7	87.5	87.9	88.0	87.8
Unemployment rate ⁴ (%)	5.1	8.4	7.5	8.6	7.5	7.3	7.5	7.8	7.9	7.8
Personal income ¹ (\$bil. annual rate)	1,123.2	1,216.7	1,346.6	1,277.1	1,352.5	1,362.9	1,370.4	1,380.8	1,385.5	1,392.2p
Hourly earnings in manufacturing ^{4 5} (\$) . .	4.28	4.72	5.08	4.89	5.07	5.12	5.15	5.20	5.21	5.30p
Money stock (daily average) ² (\$bil.)	274.6	285.2	299.6	293.6	301.7	303.3	303.1	304.8	306.3	3.06p
Time and savings deposits (daily average) ² (\$bil.)	383.6	429.9	460.3	438.3	461.7	462.1	467.9	472.4	471.5	475.0p
Three-month Treasury bill rate ² (%)	7.934	5.637	5.061	6.383	4.878	5.185	5.443	5.278	5.153	5.076p
Aaa corporate bond yield (Moody's) ^{5 6} (%)	8.13	8.79	8.54	8.95	8.40	8.58	8.62	8.56	8.45	8.38
Interest rate on new home mortgages ^{5 7} (%)	8.67	9.06	8.94	8.94	8.92	8.97	8.89	8.97	9.02	9.08p
Housing starts, private (including farm) ¹ (thou.)	1,550	1,015	1,419	1,304	1,367	1,422	1,510	1,382	1,542	1,814p
Auto sales at retail, total ¹ (mil.)	9.2	8.2	10.2	9.0	10.3	10.2	10.0	10.1	10.5	9.9p
Business sales, total ¹ (\$bil.)	159.9	162.8	184.8	173.4	187.1	186.3	189.0	188.3	189.5p	—
Business inventories, total ¹ (\$bil.)	234.7	267.5	270.5	265.1	270.6	272.5	276.2	277.9	280.6p	—

¹Department of Commerce. ²Board of Governors of the Federal Reserve System. ³Composite index of 12 leading indicators. ⁴Department of Labor, Bureau of Labor Statistics. ⁵Not seasonally

adjusted. ⁶Moody's Investors Service. ⁷Federal Home Loan Bank Board. p. Preliminary.

TRANSPORTATION DATA

Rail rates and grain shipments

	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Rail freight rate index ¹										
All products (1969=100)	141.4	160.8	183.9	175.7	185.4	187.1	187.4	187.4	187.5	187.6
Farm products (1969=100)	136.4	155.9	179.9	171.8	179.1	183.2	183.3	183.3	183.6	183.6
Food products (1969=100)	140.8	160.1	183.3	175.0	183.2	186.1	186.3	186.2	186.2	186.5
Rail carloadings of grain (thou. cars) ²	28.6	22.3	24.1	29.8	20.6	21.2	28.7	30.4	28.0	26.1
Barge shipments of grain (mil. bu.) ³	18.1	18.7	31.0	23.7	29.9	38.1	33.9	30.1	23.4	27.7

¹Department of Labor, Bureau of Labor Statistics. ²Weekly average; from Association of American Railroads. ³Weekly average;

from Agricultural Marketing Service, USDA.

U.S. AGRICULTURAL TRADE

Prices of principal U.S. agricultural trade products

Items	January-June			1975	1976					
	1974	1975	1976	Sept	Apr	May	June	July	Aug	Sept
Export commodities:										
Wheat, f.o.b. Gulf ports (\$/bu.)	4.93	3.93	4.02	4.35	3.99	3.87	3.99	3.87	3.47	3.31
Corn, f.o.b. Gulf ports (\$/bu.)	3.07	3.12	2.96	3.13	2.85	3.04	3.14	3.16	3.00	3.04
Grain sorghum, f.o.b. Gulf ports (\$/bu.)	2.72	2.92	2.79	2.96	2.70	2.79	2.78	2.85	2.77	2.80
Soybeans, f.o.b. Gulf ports (\$/bu.)	6.13	5.93	5.30	5.68	4.95	5.52	6.43	7.07	6.59	6.96
Soybean oil, Decatur (cts./lb.)	30.70	27.90	16.46	24.40	16.32	15.77	17.62	20.87	20.35	22.46
Soybean meal, Decatur (\$/ton)	134.25	120.93	142.66	133.70	127.10	152.25	187.90	193.90	173.30	179.20
Cotton, 10 market avg. spot (cts./lb.)	63.97	39.21	60.27	50.74	57.18	62.07	72.74	78.73	73.25	72.26
Tobacco, avg. price of auction (cts./lb.)	87.80	105.70	100.63	106.00	100.70	100.90	100.90	98.70	108.70	119.00
Rice, f.o.b. mill, Houston (\$/cwt.)	33.31	22.32	17.33	20.50	17.00	17.00	16.60	16.40	15.50	14.50
Inedible tallow, Chicago (cts./lb.)	17.30	11.13	13.20	13.06	13.00	12.94	13.50	14.03	13.10	13.12
Import commodities:										
Coffee, N.Y. spot (cts./lb.)	72.12	70.55	123.30	93.50	124.00	141.90	148.10	148.30	145.00	151.00
Sugar, N.Y. spot (cts./lb.)	19.40	27.67	15.45	17.36	15.58	15.97	14.40	14.59	11.32	9.80
Cow meat, f.o.b. port of entry (cts./lb.)	78.40	56.08	75.27	64.25	81.75	80.55	72.49	69.41	71.88	70.13
Rubber, N.Y. spot (cts./lb.)	47.00	29.40	38.09	30.30	38.40	40.70	42.70	40.70	40.65	40.07
Cocoa beans, N.Y. spot (cts./lb.)	92.40	75.40	86.40	n.a.	87.60	96.30	107.00	107.00	114.20	128.60
Bananas, f.o.b. port of entry (\$/40-lb. box)	3.13	4.62	4.79	4.25	n.a.	5.07	4.80	4.69	4.82	4.68
Canned Danish hams, ex-warehouse N.Y. (\$/lb.)	1.36	1.60	1.76	1.90	1.76	1.70	1.68	1.68	1.72	1.74
Quantity Indices										
Export (1967=100)	164	149	172	143	180	170	167	161	158	n.a.
Import (1967=100)	126	116	142	146	142	129	154	135	n.a.	n.a.
Unit Value Indices										
Export (1967=100)	215	229	204	218	203	205	205	210	210	n.a.
Import (1967=100)	179	231	202	198	202	215	222	235	241	n.a.

n.a. not available.

Trade balance

Items	July-August		August	
	1975	1976	1975	1976
\$ Mil.				
Agricultural exports ¹	3,132	3,559	1,600	1,760
Nonagricultural exports ²	13,528	14,596	6,847	7,069
Total exports ²	16,660	18,155	8,447	8,829
Agricultural imports ³	1,450	1,890	688	932
Nonagricultural imports ⁴	14,092	19,304	6,877	9,611
Total imports ⁴	15,542	21,194	7,565	10,543
Agricultural trade balance	1,682	1,669	912	828
Nonagricultural trade balance	-564	-4,708	-30	-2,542
Total trade balance	1,118	-3,039	882	-1,714

¹ Domestic exports including Department of Defense shipments, (F.A.S. value). ² Domestic and foreign exports excluding Department

of Defense shipments, (F.A.S. value). ³ Imports for consumption (customs value). ⁴ General imports, (customs value.)

WORLD AGRICULTURAL PRODUCTION

World supply and utilization of major crops

Commodity	1970/71	1971/72	1972/73	1973/74	1974/75	1975/76 ¹	1976/77 ²
	Mil. units						
Wheat:							
Area (hectare)	204.9	210.0	207.2	216.5	220.5	225.8	228.9
Production (metric ton)	316.2	348.5	344.2	372.3	356.5	349.3	392.6
Exports (metric ton)	56.3	57.8	72.2	70.7	68.0	74.0	66.0
Consumption (metric ton) ³	337.7	344.4	364.6	368.1	359.5	348.3	363.4
Ending stocks (metric ton) ⁴	75.6	79.7	59.7	63.9	60.9	61.8	91.0
Feed grains:							
Area (hectare)	339.7	340.8	338.0	350.6	348.4	357.3	365.4
Production (metric ton)	569.5	622.0	602.8	660.5	619.3	631.3	671.7
Exports (metric ton)	53.4	55.7	69.0	80.8	69.3	87.5	79.0
Consumption (metric ton) ³	587.1	606.8	621.6	662.3	625.3	634.2	671.0
Ending stocks (metric ton) ⁴	61.0	76.2	57.4	55.6	49.6	46.7	47.4
Rice, milled basis:							
Area (hectare)	131.3	131.6	130.0	134.8	137.0	140.8	140.4
Production (metric ton)	208.9	211.9	204.1	219.0	223.6	239.6	233.9
Exports (metric ton)	7.9	8.1	8.2	7.7	7.6	7.4	7.4
Consumption (metric ton) ³	208.0	214.6	209.8	216.7	224.0	234.7	237.9
Ending stocks (metric ton) ⁴	18.6	15.9	10.2	12.5	12.1	17.0	13.0
Total grains:							
Area (hectare)	675.9	682.4	675.2	701.9	705.9	723.9	734.7
Production (metric ton)	1,094.6	1,182.4	1,151.1	1,251.8	1,199.4	1,220.2	1,298.2
Exports (metric ton)	117.6	121.6	149.4	159.2	144.9	168.9	152.4
Consumption (metric ton) ³	1,132.8	1,165.8	1,196.0	1,247.1	1,208.8	1,217.2	1,272.3
Ending stocks (metric ton) ⁴	155.2	171.8	127.3	132.0	122.6	125.5	151.4
Oilseeds and meals:⁵							
Production (metric ton)	54.7	55.6	57.3	68.0	63.4	71.3	67.8
Trade (metric ton)	24.6	25.8	25.6	27.3	27.1	32.7	32.9
Vegetable fats and oils:							
Production (metric ton)	27.8	29.1	28.4	31.8	31.5	34.0	33.6
Trade (metric ton)	9.1	9.9	9.9	10.0	10.6	11.6	11.6

¹ Estimate. ² Forecast. ³ Where stock data not available (excluding USSR), consumption includes stock changes. ⁴ Stocks data are based on differing marketing years and do not represent levels at a given

date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. ⁵ Soybean meal equivalent. Note: Data as of October 27.

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